

Kyoto's Enemy

*The American Oil Industry's Influence in the Signing and Non-Ratification
of the Kyoto Protocol*

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Acknowledgments

A long journey has come to an end and I am realizing I am at a threshold in my life. My student days are over and it is with a combination of remorse and relief that I end nearly a decade of studies.

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The responsibility for errors and misinterpretations rests with the author.

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Anne Cecilie Andresen

Executive Summary

This study is an empirical and theoretical analysis of the influence obtained by the American oil industry in the United States decision to first sign and then not ratify the Kyoto Protocol. The purpose of the study is to explore and measure the influence the industry managed to obtain and then compare the period before the signing to the period between the signing and the decision to not ratify Kyoto. By employing theoretical framework, the empirical data collected will be analysed and variations in the influence dimension will be explored.

The background for the study was the US decision to first formally sign the Kyoto Protocol and then approximately three years later decide to not ratify the Protocol. The international community assumed at the time that Kyoto would not survive without the participation of the US and therefore the US was subjected to international pressure to ratify the Protocol. Nevertheless, the decision to not ratify Kyoto was made in March 2001, two months into the Presidency of George W. Bush.

The study describes how the oil industry early on voiced its objections towards the Kyoto Protocol. From the beginning, the American Petroleum Institute, the Global Climate Coalition and ExxonMobil chose a reactive strategy to make sure Kyoto was not ratified. The industry claimed Kyoto was unfair due to the exclusion of developing countries and that it would prove to be costly for the industry as well as the American public. The oil industry did not only object Kyoto but also argued the scientific consensus on climate change, claiming more research was needed to draw any conclusions.

The analysis discuss the influence obtained by the industry on four different dimensions; political mobilisation, unity, financial resources and public opinion. Variations in the influence obtained in these variables are explored for both the first period before the signing in 1997 and the second period between the signing and the

decision not to ratify in 2001. After analysing the data, the two phases are compared to see whether there are variations in influence in the two time frames.

The analysis indicates that the oil industry was influential in the decision not to ratify the Kyoto Protocol. In both periods the oil industry achieved access on the political decision making arena, first and foremost in the Senate and after 2001 also in the Administration. They were successful in having the Byrd-Hagel resolution passed in the Senate, a resolution which made ratification of Kyoto difficult. Though there were many actors involved in this resolution, there are indicators of strong lobbying from the oil industry that could have been decisive. The unified position of the industry remained somewhat the same throughout the process, although some oil companies turned to a more proactive strategy after the signing of Kyoto. That did not however appear to be consequential for the united approach from the oil industry against Kyoto. The financial resources enabled the industry to promote their views on Kyoto and climate change publicly as well as sponsor independent research and political campaigns. The oil industry is one of the main sponsors of the Republican Party and gave substantial donations to George W. Bush presidential campaign in 2000. The oil industry was however not able to convince the public opinion despite their media campaigns and were not able to attain influence on this variable. Though the public favoured climate change measures and Kyoto, the final decision was made despite their opinion.

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Abbreviations

API- American Petroleum Institute

CFC- Chlorofluorcarbons

CO₂ - Carbon dioxide

EU- European Union

GCC- Global Climate Coalition

GHG- Greenhouse gases

ICC- International Chamber of Commerce

ICCP- International Climate Change Partnership

IGO- Inter governmental organisations

IPCC- Intergovernmental Panel of Climate Change of the United Nations

IPIECA- The International Petroleum Industry Environmental Conservation
Association

NGO- Non governmental organisations

UN- United Nations

UNFCCC- United Nations Framework Convention on Climate Change

UNEP- United Nations Environment Programme

US- United States of America

“The era of procrastination is coming to a close, in its place we are entering a period of consequences”

Winston Churchill

Chapter 1: Theme and Research Question

1.1 Theme

The topic of this study is sub national actors gaining influence in the United States of America (hereafter the US) on a particular political issue. The political issue and thus the case of the study is climate and the attempt to influence the political agenda and policy making will be the main focus.

The research question in the study is to determine to what extent and how the American oil industry sought to influence the US decision to first sign the Kyoto Protocol and then not to ratify it. I am explaining an empirical phenomenon meaning to what extent influence was achieved. A more precise presentation of the research question will be given later in the chapter.

The study compares two dimensions, the signing versus the non ratification of the Kyoto Protocol and proved variation in these dimensions will be studied and analysed. This is therefore a comparative case study of two different phases; the first phase takes place between the establishment of the GCC in 1989 and the signing of the Kyoto Protocol in 1997¹ and the second phase between the signing and the decision not to ratify the Protocol in 2001. A thorough explanation of the choice of time frames will be given in chapter four. Due to the topic and structure of the study, empirical material will be of most significance when attempting to answer the research question while theoretical framework will serve as tools in analysing the data.

¹ The US formally signed the Kyoto Protocol on November 12th 1998, however the Protocol was adopted in December 1997 and I have thus used this as the basis for my time frame.

Before giving a more thorough presentation of my research question and my motivation for the study, I will give a short introduction of the background of the thesis, namely the international climate regime, the Kyoto Protocol, as well as the actors and the arena² of the thesis. I will also present my expectations for the study as well as its structure at the end of the chapter.

1.1.1 Scope

Political attention to climate change is a modern phenomenon. Climate change was first discovered in the 1800's, but without trying to identify any causes for this change. It is now, however, generally, but not completely accepted that industrialisation and the burning of fossil fuels have caused severe consequences for our planet, resulting in such human induced damages as climate change.

Though most people agree that preservation of the environment is important, consensus on this matter is not easily achieved either internationally, or, in some cases, even at a national level. In order to reduce such damages, the international community must agree on internationally binding actions to be taken. If not, the tragedy of the commons³ will take place, because while some will endorse the international rules on reducing climate change, others will not and due to the lack of international laws penalising environmental crimes, they will get away with it⁴.

This study will focus on the oil industry in the US and its policies on climate control. Furthermore the study will look into the industry's goals, efforts and success in influencing President Clinton's decision to sign the Kyoto Protocol compared to President Bush's decision not to ratify it.

1.1.2 The international climate regime

During the past 20 years focus in climate change has become an increasingly important issue on the international political agenda. In his article *The History of the*

² The term arena is defined as the place where actions are executed, in other words, where the actions of the study takes place (Berge 2004: 13).

³ Garrett Hardin introduced the term "tragedy of the commons" in his article by the same name, illustrating the destruction of common resources. The tragedy occurs when people act individually, taking advantage of the resources, thus the result can be destruction of common resources (Østerud 1990:390).

⁴ This is known as the free-rider problem.

Global Climate Change Regime, Bodansky (2001:23) divides the development of the Climate Change regime into five periods. **The first period** is the foundational period in which the scientific concern about global warming developed. Questions on global warming were raised in the US Congress and in the UN General Assembly. In 1972 during the Stockholm conference, the United Nations developed the UN Environment Programme (UNEP), an organisation focusing on creating conventions for environmental protection that is meant to lead to negotiations and international law.

The second period is the Agenda Setting Period between 1985 and 1988. By this point, the climate change issue was on the international political agenda. The discovery of the Antarctic ozone hole resulting from emissions of chlorofluorocarbons (CFC's) sparked a great interest in reducing pollution and creating policies on preventing climate change. During this time frame, the Vienna Convention and the Montreal Protocol were signed, taking the first international steps on reducing emissions of ozone destructing gases. The Montreal Protocol aimed at freezing the domestic CFC consumption at 1986 levels. In the US, the interest for climate change was given additional attention with the drought and heat wave that struck North America.

The third period lasted from 1988 to 1990. Until 1988, the climate change issue was mostly addressed by NGO's, but in 1988 it became an intergovernmental issue due to the 1988 General Assembly resolution on climate change (Bodansky 2001: 28).

Several large summits were held where states gathered to discuss reduction of global warming and stabilize carbon dioxide (CO₂) levels and emissions.

The main topics at the UN Framework Convention on Climate Change (UNFCCC) negotiations were targets and timetables for emissions reductions, financial assistance and technology transfer. The institutions and implementation mechanisms of these topics make out the **fourth period**. Within this phase, the Rio Convention in 1992 took place, where the UNFCCC was adopted. The importance of the Rio Convention was quite large as it created a fundament for other important Protocols, most notably, the Kyoto Protocol.

The last period takes place post Rio and during the negotiations of the Kyoto Protocol in 1997. Unlike other Protocols, Kyoto specifies obligations for industrialised

countries to limit and reduce greenhouse gases (GHG) emissions. A more thorough description of the Kyoto Protocol will be addressed below.

As for the actions taken to prevent climate change from developing, there are three different types of actions that have played a part in environmental diplomacy the last 20 years. They are not competitive, but complement each other, meaning one does not rule out the other. **The first alternative** is international agreements on emission limits where states are given maximum quotas or percentile reductions.

The second alternative is environmental fees and taxes in order to reduce emissions. Finally, **the third alternative** is the distribution of quotas; selling and buying of quotas are done in markets established for this cause. The Kyoto Protocol falls in under the first and last category and it is the strictest environmental protocol to date.

1.1.3 The Kyoto Protocol

The Kyoto Protocol is an addition to the UNFCCC adopted at the 1992 Rio Conference. The Protocol is the result of international negotiations on the threat of climate change which culminated with the Protocol being signed in Kyoto Japan December 1997. The Protocol aims at reducing fossil fuel emission which is the main source of GHG and especially CO₂. This international treaty is aimed at achieving reduction of GHG emissions. The release of GHG into the atmosphere is what is considered to be responsible for global warming. The Protocol also aims at reducing anthropogenic emissions which will lead to a reduction of concentration of CO₂ and other GHG in the atmosphere (Schulze et al 2002: 506). The Protocol is a comprehensive document consisting of 28 articles and two annexes the industrialised nations (the high per capita income countries also known as the 45 Annex B countries) commit themselves to a reduction in fossil fuel emissions in the first commitment period (2008-2012) as compared to the emissions in the base year 1990. The aim for the reduction of concentration in the atmosphere is established in the UNFCCC, while the reduction of emissions is established in the Protocol. The Protocol is applied differently to each country as some countries are allowed increases while others must make larger reductions. These nations shall further make every effort, when

implementing their measures, to reduce negative effects, especially in developing countries. This would include such populous countries as Brazil, China, India and Indonesia. The Protocol allows emissions trading between Annex B countries. It also allows emissions banking and joint implementation.

The Clinton Administration, by signing the Protocol, would if ratified, commit the US to reduce GHG emissions by 7% from 1990 levels on average over the period 2008-2012. The US is the largest contributor of GHG emissions in the world (Andresen and Agrawala 1999: 457). Considering the GHG emissions in the US had increased with 18% in the 1990's (Bang et al 2005:1), their commitments to Kyoto would involve large costs (ibid).

1.1.4 The United States of America

The US is the arena where the subject of this thesis takes place. More specifically the study will focus on the decision making arena in the US, particularly the legislative and executive branch namely Congress and the President. The division of power within the US is such that an agreement, like the Kyoto Protocol, even if signed by the President, has to be ratified by the Senate with a 2/3 majority. The US, and especially Vice President Al Gore, played an active part in the Kyoto negotiations and although they achieved some of their most important demands, the US was one of the countries that gave the most concessions to reach a compromise compared to previous positions in the Kyoto negotiations (Andresen and Agrawala 1999:465).

Although the Senate was sceptical throughout the entire process and in 1997 passed the Byrd-Hagel resolution in a 95-0 vote indicating what would not be acceptable to the Senate at Kyoto (a more thorough presentation of the Byrd-Hagel resolution will be given in chapter three), President Bill Clinton signed the Kyoto Protocol in 1998. Further reactions by high ranking Senators indicated that the Protocol would be dead on arrival in the Senate⁵. On March 18th 2001, only two months after his inauguration, President Bush rejected the Protocol, calling it “fatally flawed” (Christensen 2003: 1)

⁵ This was declared by Chairman of the House Committee on science; Republican F. James Sensenbrenner, Jr. (<http://www.aaaas.org/spp/cstc/pne/pubs/stc/bullitin/articles/12-98/kyoto.htm>).

and unacceptable because it would harm the US economy and because it failed to include developing countries, or 80% of the world's population⁶.

As for the American public; when the economy is bad, the environment issues receive less support and attention (Michaelowa 1998: 253). They do however believe global warming is real and claim to be concerned about the environment, most notably towards visible problems such as clean air and water (The Wirthlin Report 1998:1). The most powerful argument for the American public against the US accepting the Kyoto Protocol may be the issue of national sovereignty, considering that Americans are not comfortable with giving up any personal freedom, energy consuming way of life and national power⁷.

The US is careful to ratify international agreements. This does not mean they do not comply, but when the US ratifies an agreement, it becomes a national law and it requires 2/3 majority in the Senate to be ratified.

1.1.5 The actors

The actor (the American oil industry) was chosen because it is economically powerful and influential and thus had the possibility of influencing the US President and Senate on the topic of the Kyoto Protocol

I will present the oil industry more thoroughly in chapter three before the analysis and will only give a short introduction of it in this chapter.

I have chosen the American Petroleum Institute (API) and the Global Climate Coalition (GCC) to represent the American oil industry because they from an early stage voiced their opinion against the Kyoto Protocol and worked actively to deny it ratification. Considering ExxonMobil was strongly involved in both, the company will also be represented in the study.

⁶ Letter from President Bush to Senators Hagel, Helms, Craig and Roberts (The White House Office of the Press Secretary: 13.03 2001)

⁷ At the Rio Convention in 1992, President George Bush sr. declared "The American Way of Life is Non-Negotiable", emphasizing the American reluctance to reduce usage of oil and gas (www.rorg.no/artikler/529.html).

API's position on the Kyoto Protocol is described as follows;

“The oil and natural gas industry believes that the targets and timetables for reducing greenhouse gases contained in the Kyoto protocol would exact too heavy an economic price given our current understanding of the evolving science of climate change”

(API's homepage⁸). The GCC was established in 1989 and was a lobbyist group situated in Washington DC. It consisted of mainly US companies in the fossil fuel sector and my study will show that it was established almost for the sole purpose of denying Kyoto ratification, or more generally speaking, the targets and timetables approach consistent with climate change negotiations and especially Kyoto (Bang et al 2005:1). The GCC was dissolved in 2001.

When I return to the actors in chapter three, I will present their strategies, interests and history as well as explain how they went about to influence the policy makers.

1.1.6 Definitions

Before presenting the theoretical framework which will create the fundament for the study, it is important to define three very important terms in order to create a more thorough understanding of the subject. They are ratification, climate change and greenhouse gases.

The term ratification is defined by Vienna Convention on the Law of the Treaties from 1969 as “the international act whereby a state indicates its consent to be bound to a treaty if the parties intended to show their consent by such an act. In the case of bilateral treaties, ratification is usually accomplished by exchanging the requisite instruments, while in the case of multilateral treaties the usual procedure is for the depositary to collect the ratifications of all states, keeping all parties informed of the situation. The institution of ratification grants states the necessary time- frame to seek the required approval for the treaty on the domestic level and to enact the necessary

⁸ <http://www.api-ec.api.org/environ/index>

legislation to give domestic effect to that treaty” (Arts. 2 (1) (b), 14 (1) and 16⁹). As mentioned earlier, ratification of an international treaty in the US demands two-thirds majority in the Senate.

Climate change is by the UN Framework Convention on Climate Change (UNFCCC) defined as “a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods”¹⁰.

The UNFCCC also defines greenhouse gases (GHG) in the same article as “those gaseous constituents of the atmosphere, both natural and anthropogenic that absorb and re-emit infrared radiation”¹¹.

1.1.7 Theoretical framework

In chapter two I discuss which theoretical perspectives I will use to explain my findings. Based on these perspectives I have extracted four independent variables to explain the dependent variable influence. The framework will be an analytical tool that enables analysis of the data collected in the study. After discussing the independent variables and the possible effect they can have on influence, I will create a model illustrating these effects.

1.1.7.1 The dependent variable

The dependent variable in the study is the influence the oil industry is able to achieve in order to reach its objective. The term influence is methodically difficult to measure and it is therefore important to define how influence can be applied in the study. In order to employ influence as a valid and reliable dependent variable, it is pertinent to give a definition that is measurable and acceptable to the theoretical perspectives.

⁹ <http://untreaty.un.org/English/guide.asp>

¹⁰ Article 1 definitions: http://www.sdinfo.gc.ca/docs/en/climate/uncc_1.cfm

¹¹ http://www.sdinfo.gc.ca/docs/en/climate/uncc_1.cfm

Influence is positioned between the objective of the actor and the result. It is between these two components that the actor can exert influence and it is here the actor may achieve its goal.

In this study, the term influence is used to indicate to what degree the oil industry was successful in reaching its objectives in regards to the Kyoto Protocol. Were they able through different means to persuade decision makers to act according to their wishes?

In chapter two I will define the term influence and discuss its relevance in my study. I will simultaneously operationalise the term influence and describe how it is measured.

1.1.7.2 Independent variables

Based on the theories I have selected, the independent variables in the study are public mobilisation, unity, financial resources and public opinion. My assumption is that these independent variables will have independent effects on the dependent variable influence, and serve as explanations as to how influence is achieved. Relations between the independent variables will not be explored. The variable **Political mobilisation** is important in order to influence decision makers. This variable includes legislative bodies or arena access and public mobilisation. Being able to access the decision making arena may prove necessary to obtain influence and public mobilisation may prove influential in mobilising the public in their direction and thus achieving influence. The independent variable **unity** (I will define the term unity in the theory chapter) could lead to increased influence for the industry according to the theoretical perspective I am using. By appearing unified and together on an issue, the industry will appear stronger and this could possibly lead to influence. **Financial resources** indicate the economic situation of the industry. This variable explains the possibility of using its financial resources to obtain influence on different levels. The last variable **public opinion** describes the attempts the oil industry made to influence the opinion of the public on the issue of the Kyoto Protocol. This variable argues the benefits of having the public opinion on ones side and how it can lead to influence. I will discuss the independent variables more thoroughly in chapter two.

1.1.8 Methodology

This thesis is a qualitative study. The reason for this assessment is that although quantitative expressions are employed, the study does measure and analyse the data by utilising numbers (Hellevik 1997: 14).

In section two chapter two I will address the methodology of the study. The study has been categorised as a comparative case study and I will discuss how this study fulfils the qualifications of a comparative case study. I will also discuss how data was collected, hereunder the sources used in the study, potential problems, reliability and validity. I have chosen to present the methodology separately as I feel it necessary to describe how the data was collected and how it was utilised in order to establish the credibility of the study.

1.2 Research question

1.2.1 Choice of theme and background

My motivation for choice of theme was my interest in the process leading up to the US' decision first to sign and then not ratify and implement the Protocol. Their decision was made despite the fact that the Kyoto Protocol, although quite controversial, is the only international protocol on restrictions of CO₂ emissions. I was intrigued by the international community's ability to achieve consensus on the Protocol as well as the US choice to go against the rest of the world by rejecting it and possibly threatening the future of the Protocol.

1.2.2 Purpose

The purpose of the study is to explain why the oil industry was successful in achieving their goal in not having the Protocol ratified but was unsuccessful in the fact that the Protocol was signed. Was it their influence that led to the decision not to ratify the Protocol, or did they have little influence in the decisions? I will look into how influence (if any) was achieved by the industry and how it was exploited in order to reach their objectives.

1.2.3 Research question

The research question in this study is;

“To what extent and how did the American oil industry seek to influence the US decision first to sign and then not ratify the Kyoto Protocol?”

The oil industry attempted to influence the signing and ratification of the Protocol and the study will therefore examine to what degree they achieved influence. The study will explore what the difference was in 1997 when the Protocol was signed by President Clinton despite the oil industry's objection and in 2001 when President Bush decided not to ratify the Protocol, a decision that was in accordance with the views and wishes of the oil industry. This study will look at which factors were decisive for the difference in influence and how can they be explained.

1.2.4 Expectations

The study is not an attempt to create new theoretical framework or achieve new findings about the US decision not to ratify the Kyoto Protocol and the actions taken by the oil industry. I do, however, expect to find out what plan was created by the actors to reach their objective, how and if influence by the actors was achieved and what methods were used. Simultaneously, I will look into why the oil industry was unsuccessful in preventing the Kyoto Protocol to be signed and whether the industry was influential in the decision not to ratify the Protocol. Furthermore I expect to find whether it was indeed anything they could have done differently, or whether perhaps the oil industry had no influence whatsoever, and that the decision not to ratify the Protocol was made regardless of their efforts. This will be the topic of the analysis.

1.2.5 Structure

In order to limit the study and the vast amount of empirical data around this topic, I selected the API and the GCC to represent the oil industry and the sceptics of the Kyoto Protocol. Considering its strong involvement in the API and the GCC,

ExxonMobil will also be represented. I have limited the study to the oil industry's activity within the US, thus the study takes place as mentioned at a national level and I will only include the international level where relevant. The structure of the study consists of this introductory chapter giving a brief background of the study and serving as an introduction to the remainder of the study. Immediately following the introduction is the theoretical chapter where the theories will be given a thorough presentation and an explanatory model will be created. This chapter will also include the methodology of the study where the usage of case study along with a discussion of the collecting of data and reliability of the sources will take place. Following the chapter on theoretical framework will be a presentation of the actors in chapter three, where material necessary for making an analysis will be presented. Chapter four is the analysis where I will try to discuss and explain the influence achieved, or lack thereof between 1989 and 1997. In chapter five I will analyse the influence obtained by the oil industry between 1997 and 2001 before comparing the influence of the oil industry in the two phases in chapter six. Finally, I will conclude my findings in chapter seven.

Chapter 2: Theoretical Framework and Methodology

In this chapter I will introduce and discuss the theoretical perspectives used to help explain the research question and work as a fundament for the analysis. My goal is to find out how the oil industry tried to influence the US' decision to first sign and then not ratify the Kyoto Protocol. Influence is thus a key word and below I will give an interpretation and definition of the term and discuss the utilisation of this expression. I will also address the potential methodical problems I can encounter by using this term. In part two of this chapter I will present the methodology of the study. I will discuss the usage of case study and the process of collecting data along with the reliability and validity of the data collected in the study.

2.1 Theoretical framework

My analytical model will be to examine the effect of influence and measure it against factors extracted from theoretical framework which will serve as analytical tools in the study. This will create my theoretical framework. The framework will allow me to measure variations in the dimensions put forth in the analysis and help explain the importance and relevance of the facts presented which in turn may enable me to answer the research question.

The dependent variable in the study is *influence of the oil industry*. Such influence may be achieved through different means and in different arenas. There are four independent variables which I have extracted from three theoretical perspectives. The perspectives I will employ in the study are the perspective by Tora Skodvin and Steinar Andresen (2003) which focus on nonstate influence. I will also use the perspective by Arild Underdal (1998) which focuses amongst others on the ratification of environmental agreements along with the perspective of the unitary rational actor. The last perspective is by Mark Smith (2000) and deals with the perspective of unity in business and public opinion. The independent variables extracted from these perspectives make up the sub areas which this chapter and the analysis is divided into. I will first present and discuss these independent variables before I create an

explanatory model explaining the relations between the variables. There is always a possibility that there are other factors with stronger explanatory power than the independent variables I have selected. This may reduce the explanatory power of the independent variables and is a consideration that must be taken into account in the analysis.

The use of theories is restricted by my decision to mainly address actions taken at the national level, and only include actions taken at the international level where deemed necessary. This is done in order to limit the study, but most importantly, because the focus will be on the oil industry operating within the US.

2.2 The dependent variable influence

Before commencing the discussion on the independent variables and why they are applicable to the thesis, I will give a more thorough explanation of the dependent variable.

As mentioned in the introduction chapter, the measurement of influence is challenging in political science. Establishing what gives an actor influence can be difficult as there can be many factors which together lead to influence.

Influence is found between goal and outcome for the actor as mentioned in chapter one. It is amid these two components that influence may be achieved and that the goals of the actor may be realised.

In an article by Betsill and Corell (2001) the authors approach the problem of influence. The authors define the term influence and describe how to identify non governmental organisations (NGO) influence in environmental negotiations (2001: 65). They argue that the discussion of influence is absent in research and that scholars rely on different areas in establishing whether influence was achieved. The root of the problem of defining influence is perhaps that it is related to the term power which is another difficult term to define in political science (ibid: 72). Though I will not explore the relationship between power and influence further, Betsill and Corell state

that influence is “a relationship between actors and emerges in the political process” (2001: 73) while power “refers to capability” (ibid) and power may hence “be converted into influence” (ibid). Influence by nonstate actors in multilateral negotiations tends not to have power but the ability of persuasion (ibid).

In their article, Betsill and Corell create a “framework for analysis of NGO influence in negotiation of international environmental agreements” (2001: 68). In previous research, influence by nonstate actors has been measured by access, resources and activities and by relying on different arenas; comparison of influence in different cases will be difficult (ibid: 69). Therefore, the authors argue that it is important to focus on the effects of participation by NGOs in negotiations in addition to their participation and activity in general. It is thus necessary to examine the *goal attainment* of the NGOs at different levels (ibid: 71). It is therefore essential to ask “whether political outcomes reflect the objectives of NGO’s” (ibid). In other words were the oil industry’s objectives shown in the outcome? Furthermore, the authors state that “A comparison of NGO goals with outcomes provides more concrete evidence of NGO influence than a focus limited to activities, access and/or resources” (ibid).

The framework deals with influence in international environmental negotiations. My study focuses on the influence by a nonstate actor at a national level, and thus employing the framework by Betsill and Corell may be problematic. The article’s limitation to the international level has been criticised by Skodvin and Andresen (2003). In their article, influenced is also discussed at a national level. Skodvin and Andresen state that in contrast to the unitary rational actor model (this model will be described later in the chapter), “states are not in full control over “their” societies but are themselves influenced and constrained by society” (2003: 67). This indicates that sub-national groups, such as in this case the oil industry, “may influence both the states positions in international negotiations and their implementation of international commitments” (ibid). Skodvin and Andresen point out three factors where nonstate actors may influence states’ negotiation positions and in the case of the oil industry the

factor of nonstate actors' strength¹² in policy making process along with the factor of "nonstate actors' access to central decision making arenas and processes at the domestic level" (ibid) appear to be of most interest in this study.

Measuring influence is problematic because influence is often seen as a dichotomous variable, meaning either one has influence or one does not, or as stated by Skodvin and Andresen (2003: 66); "either the policy response is consistent with the nonstate actor's position or it is not". However, in their article it is argued that influence is instead a continuous variable and that "the extent to which nonstate actors' positions are reflected in policy outcomes is a matter of degrees" (ibid). Skodvin and Andresen argue that influence may be achieved on three levels (ibid). These levels can be interpreted as weak, medium or strong influence levels, as the first level gives the actors a right to be heard but their positions are not reflected. The second level the positions of the actors are accepted into the decision making process and finally the third level the positions of the actors are reflected in a larger extent than the other levels though this is not necessarily an inclination of complete acceptance of the actors positions (ibid).

2.2.1 Operationalisation

By employing the term influence I will try to measure whether the actions taken by the oil industry made a difference on the outcome. Did the industry have any authority or were they able to persuade or perhaps even pressure the decision makers? In the case of the Kyoto Protocol, the outcome is already known as the decision to sign the Protocol and then not to ratify it has already been made. This decision indicates that the oil industry was perhaps not influential in the period leading up to the signing, but could have obtained influence between the signing and the decision not to ratify the Protocol.

¹² Strength is by Skodvin and Andresen linked to the resources bestowed by the actor and the ability to achieve strength is increased if the policy makers are in need of these resources (2003: 68). Strength is operationalised independently from influence as strength towards other actors does not necessarily imply influence. Strength is also defined as "influence potential" (ibid).

I have operationalised the dependent variable based on the theoretical framework of Skodvin and Andresen (2003: 66) presented above. I will utilise influence as a continuous variable, there are three levels where influence by the oil industry may be obtained instead of only two. By employing a continuous nature of influence in the study, the result of the discussion will thus not necessarily be if the industry had or did not have influence, but to what degree they achieved influence, in other words the variable is not mutually exclusive as it enables different levels and degrees of influence.

In addition, there may have been different and unforeseen factors which lead to the final decision, irrespective of the oil industry.

2.2.2 Definition of influence in the study

Based on the data presented above and the operationalisation of the term influence, this study will employ influence as an indicator of the oil industry's goal attainment, i.e. whether the political outcome reflects the intent or objective of the oil industry. This will be measured along a continuous variable.

2.3 Presentation and discussion of the independent variables

2.3.1 Political Mobilisation

The independent variable political mobilisation includes two components; legislative bodies, which includes arena access and public mobilisation. In this section I will give a more thorough description of this variable and discuss what it is that may give political mobilisation influence and what components these factors may have to allow an explanation as to how influence was or wasn't achieved. I have chosen to initially divide the variable and present the two above mentioned components separately before ultimately combining them to better explain and give a more thorough presentation of the variable.

2.3.1.1 Legislative bodies

Before presenting and discussing the framework behind this component, I will first clarify the term arena access. Arena access is the ability an actor has to enter the

decision making arena. This arena (which I defined in chapter one) can be Congress and the White House at federal level, or a decision making arena at state level or lower. In this study the decision making arena is the federal level and US Congress considering the Kyoto Protocol if ratified would be a national law.

In order for the oil industry to obtain influence, it would be necessary to access the decision making arena and be able to influence decision makers, and in this case, the people deciding whether Kyoto should first be signed then ratified. It is also within this variable that potential competing actors with counterbalancing views would enter and hence this is where the oil industry might face competition.

When deciding the degree of influence an actor may achieve, it is necessary to measure the possible strength an actor may obtain. The term relative strength is introduced by Steinar Andresen and Tora Skodvin and arranges the possibility of influence in three levels; (Skodvin and Andresen 2003: 67):

- 1) The strength of the nonstate actor in the policy making process
- 2) The strength of counterbalancing forces, i.e. other nonstate actors with conflicting positions;
- 3) The Political opportunity structure, i.e. nonstate actors' access to central decision making arenas and processes at the domestic level (ibid).

The factors mentioned above make up the term relative strength in relations to other actors. In other words, even though the oil industry is a powerful actor, other actors may be as powerful or even more powerful on a particular dimension. This would make the oil industry weaker regardless how strong they are.

Therefore, if another actor showed more strength and obtained more arena access, they would be stronger than the oil industry. There are other strong actors willing to ratify and implement the Kyoto Protocol which I will briefly address in the analysis.

Regardless how powerful the oil industry was and how powerful they seemed, they would still not be able to achieve influence if other actors were stronger.

Could they achieve influence? This variable is an attempt to measure the influence obtained by the oil industry and search to find whether influence was achieved in this arena. Considering the final decision for the ratification of the Protocol would be taken by the Senate, this would be an important arena to gain access and influence on. Access to legislative bodies such as Senators, lobbyists, House members et cetera would be important in order to voice the opinion of the industry. As stated by Skodvin and Andresen, “the nonstate actors can target legislative bodies more specifically particularly to mobilise sufficient political support to block (eventual) ratification of an international agreement (unwanted by the nonstate actor)” (2003:68). This could be an explanatory factor in my study on how arena access could prove beneficial for the oil industry achieving influence and ultimately denying Kyoto ratification. Simultaneously, public mobilisation directed at making the public aware of the views of the industry as well as once established their views also persuade the public in their direction, and this way indirectly pressuring the decision makers. I will return to this later in the chapter.

This perspective explains strategies and it is therefore important to specify why it is applicable in this study. Though I am not explaining the strategies of the oil industry per se I am looking into the actions taken to achieve influence and whether the industry was able to obtain influence. The perspective explains how influence may be achieved on different levels and what could explain the achievement of influence, and thus I believe this perspective to be applicable to the study.

Within the dimension of political mobilisation, the perspective of the unitary rational actor is of interest. The unitary rational actor model presumes that actors (in this case the US) will act in its best interest. According to Model B; *The Domestic Politics of Implementation* by Underdal (1998:13), even though the US acts in its best interest, they might still be unable to deliver due to domestic political constraints. The possibility of political failure can make a state act against its best interest for this reason. By being able to access the political arena, it is possible for actors to influence, pressure or persuade decision makers to make decisions that might not be

ideal or ultimate. Political failure was an important factor in the US, as the Senate early on voiced objections against the Protocol. For a US President, signing an international agreement and then having it rejected in the Senate could be considered a failure to the Administration. This would be an important consideration for the oil industry in deciding which strategy they would use to influence the policy makers as a president who has signed an international agreement would most likely want it ratified.

Underdal (1998: 15) brings up the problems with environmental policies.

Environmental agreements cause difficulties as they restrain legal activities (for instance factories releasing emissions, usage of coal for fuel and so on). Furthermore, they demand great economic costs for society, and voluntary fulfilment of the Protocol is necessary. As for Kyoto, no legal action will be taken if signatories do not comply (this is being altered now, 8 years after it was signed). Therefore, one is dependent on the good nature of the other signatories. The costs of Kyoto were a big issue in the debate and the oil industry stressed the large costs the agreement would have on the US and used it as an important argument to go against the Protocol.

In order to solve the problem of environmental damage one must first deal with the legal activities that are causing the damage (Underdal 1998: 15). An international conference can, according to this theory, create interest on a specific topic and focus the attention towards this subject (Underdal 1998: 20). In the case of the Kyoto Protocol, attention would then be drawn to CO₂ emissions and the need to reduce emission in the US. Finally, model B suggests that signing (and ratifying) an international agreement can make a significant difference. Model B focuses first upon the impact the agreement may have upon the domestic distribution of power and influence, and, second, upon incentives generated by the act of signing (Underdal 1998:18-19). The Signing (and ratifying) of an international agreement tends to empower the governmental agencies, and possibly the intergovernmental organisations (IGO), in charge vis-à-vis other branches of government (or IGO's) and also vis-à-vis the societal actors to whom the regulations apply (Underdal 1998:19). Also, as mentioned, the mere fact that an international conference is about to take place can

help focus attention on a particular problem and thus serve as a stimulus to policy making at the national level (Underdal 1998:20). The fact that the Protocol was signed might have created a greater interest in ratifying it considering the first step had been taken. If this is so, how then would the oil industry be able to achieve influence if there was a greater interest in having Kyoto ratified?

The factor of political failure mentioned above could be determinative considering the Senate voiced such large objections to the Protocol. If the oil industry was able to access the political arena they would be able to induce objections and that could, according to this perspective, lead to the decision to not ratify the Protocol. In addition, it must be taken into consideration that during the 1997- 2001 time frame there was a change in the Administration, and a Democratic President was replaced with a Republican. What perhaps was considered political failure for one Administration was perhaps not failure for the other and the new Administration could also grant different actors access to the political arena. These factors will be discussed in the analysis.

2.3.1.2 Public mobilisation

This component of the independent variable political mobilisation takes forth the industry's attempt to mobilise and also influence the American public. Public mobilisation deals with the industry's attempt to mobilise the actions of the public and to engage them in acting accordingly to the wishes of the oil industry. These actions desired by the industry could be for instance having the public vote for candidates with views consistent with the oil industry. This component is of interest because due to theoretical framework and data I will present, the public could be imperative in the oil industry's attempt to achieve influence.

This variable is connected to the previous variable, as gaining the approval of the public might give access to the political arena. By influencing the public and informing them of the topic and their views, the oil industry could create more

attention on the topic and therefore, with the help of the public be able to access the political arena.

Skodvin and Andresen approach the importance of public mobilisation in their article (2003: 68). They state that by mobilising public opinion and achieving support of its position, the actor can then mobilise political support (ibid). Political and public mobilisation may hence be connected as the one may lead to the other. These components are again connected to resources possessed by the actor and how this may lead to influence. By being able to mobilise the public and through them achieve political support on an issue, in this case disapproval of the Kyoto Protocol, influence may be achieved with or without political mobilisation and arena access (ibid).

The variable political mobilisation may then based on the discussions presented above summed up as follows. In order for the oil industry to achieve influence through political mobilisation they must access the decision making arena and legislative bodies. By mobilising the public in their favour their position may be strengthened and by scoring high on these components they may ultimately achieve a high score on the influence dimension in this variable and hence obtain their goal.

2.3.2 Unity

Smith (2000) employs the term business unity in his perspective and I have defined the term as agreement within a business (or in this case industry) on a particular issue.

Though the perspective explores unity in business, it is also applicable to industry.

Unity can be interpreted as consensus within the industry and the appearance of unity is dependent on the degree of consensus the industry has on a particular issue, in this case the Kyoto Protocol (Skodvin and Andresen 2003:68). Regarding my research question, the objective will be to measure unity within the oil industry on the topic of the Kyoto Protocol and whether this may have given them influence.

There is a common assumption that unity leads to strength in American business. The phrase “United we stand, divided we fall” is a reasonable expectation about the operation of business power. The logic behind this assumption is stated by Smith who

quotes Dahl; “political effectiveness of any group, meaning its ability to steer authoritative decisions in its favour despite resistance from other groups, depends upon its potential for unity” (Smith 2000:3). When a company (or an industry) experience internal disagreement, their potential for political power may be reduced. When the industry is united and organised, the effectiveness of promoting their cause is increased (Smith 2000:4). In other words, in order for the oil industry to appear strong and achieve influence, it would according to this perspective be in their best interest to be united if possible. Additionally, if the industries disagreed internally and were not able to reach a decision a majority would support, they would spend too much time trying to convince each other in order to reach an agreement favourable to the majority.

When corporations cooperate in business, the consequences can be increase in prices, reduced competition and higher profits to name a few. Scholars have expected similar consequences if this is transferred to the political arena (ibid)

The notion that American firms gain power by sharing political goals is the kind of an assumption Smith claims requires no discussion because “a long tradition of American political thought invites scholars to accept the unity-leads-to-strength assumption” (Smith 2000:5).

“Unified policy preferences develop when firms experience a common economic threat to profits” (Smith 2000:17). When a company (or in my case industry) is going through an economic decline, it is more likely to stay together and be unified during the troublesome economic period. The oil industry was at risk of reduced income and higher taxes if the Kyoto Protocol was ratified and though it would not ruin them financially it would demand large costs and this fear could have united the industry. When the economy flourishes, the company will be more likely to obtain different preferences and therefore the company will be less united. Scholars point to social and political relationships among firms that encourage the congealing of preferences. These mechanisms include overlapping corporate boards, common social experiences of corporate executives and commercial banks acting as intermediaries. It is important

to keep in mind that companies often are in competition against each other and that a threat to one company is not necessarily a threat to another. However, most oil companies would have to make changes and restructure to comply with regulations and that could prove costly for most of them. I find this relevant to my research question as it examines the possibility that the oil industry united in the fear of losing money due to the possibility of having to make large changes in order to comply with international regulations.

“When the size and scope of government is at stake, business frequently unifies” (Smith 2000:19). Within the American traditional core values lies a deep suspicion of big business, as well as big labour and big government. This results in most Americans favouring a decentralised political structure, avoiding centralised authority (Smith 2000:6). According to Smith, American political culture includes a fear of concentrated power undermining democracy, contrary to other industrialised nations where business leaders tolerate and even desire stronger government control over the marketplace. “A belief that business unity would result in business power represents a natural extension of this tradition” (ibid). The central question therefore comes down to whether or not business unifies to promote a common agenda and hence achieve influence (ibid). In my case, did the oil industry unify to achieve what they wanted, which was to not ratify the Kyoto Protocol?

There are several issues politicians feel will hurt American business. These issues include strong restrictions on pollution and it is believed this would “hinder investment and precipitate an economic slowdown” (Smith 2000:145). The result is that politicians will be less willing to support these issues as it could potentially threaten their electoral career. This is of particular interest in my case as it would be necessary for the industries to gain support from elected officials. According to Smith, if the politicians feel their careers would be threatened, it would not matter how strong or united an industry is.

Unity may also be extended to include allies outside the industry who share mutual interests which in this case would be to prevent Kyoto from being signed and ratified. The rationale may be to achieve benefits of even stronger effects to achieve a common goal. An example of such an ally to the oil industry is the conservative movement in the US as the conservative movement and the fossil fuel industry's interests often coincide (McCright and Dunlap 2003: 368).

To sum up the independent variable unity, based on the framework presented, unity or consensus in an industry may prove beneficiary and can be explanatory when measuring the influence the industry has scored on the dimension. Appearing unified may give the indication of being strong and this may enable the industry to achieve influence.

2.3.3 Financial resources

Financial resources could be determinative in an effort to achieve influence. This is because in order to access arenas, persuade politicians and the public it could be decisive to have the finance to make this possible. The American oil industry is financially a very large industry and would therefore have the means to achieve access by being able to finance lobbyists, and furthermore be able to run advertising campaigns in order to influence and inform the public on their views.

As mentioned earlier in the chapter, if the actor possesses resources policy makers seek, the possibility for influence may increase (Skodvin and Andresen 2003: 68). If policy makers were to be sponsored (for instance for their election campaigns) by the nonstate actor, the actor may possibly achieve influence in donating financial resources in exchange for the candidate's voting accordingly to the views of the actor. The American oil industry gave large donations to Republican candidates before 1997 and 2001 something I will explore in the analysis. This variable may have explanatory power in explaining the why the oil industry spent financial resources on sponsoring a political party and their campaigns. By sponsoring politicians and presidential nominees they would also perhaps be able to achieve access to the inner circle of decision making.

Financial capital may be linked to the variable public opinion as influencing the public may be done through advertisements and campaigns which demand financial capital. This could help the oil industry get their issues on the political agenda as well as giving them the possibility to sway the public in their favour. This would also be favourable against their counterparts. The relationship between the variables will however not be explored further in the analysis. Their economic resources could be a strength that enables influence and this is yet another factor that could potentially prove favourable to the oil industry. Furthermore, by supporting scientific research favourable to the views of the oil industry and think tanks, an actor will be able to make their positions known and thus focus more attention on the matter. As data presented in the following chapters will explain, the oil industry spent large resources on scientific research and think tanks. For instance the GCC is considered to be a think tank¹³ and a lobbyist for the industry. By sponsoring research the question is whether the industry would then be able to control the conclusions from the findings in these studies. It could also be interpreted as an attempt to procrastinate the discussion by claiming new research was needed before drawing any conclusions from the climate change debate. This could prove influential to the oil industry and will be discussed in the analysis.

2.3.4 Public opinion

This variable state that public mood (or opinion) “emerges as the strongest single determinant of whether business sees its preferences approved or rejected in legislation” (Smith 2000: 167). This perspective argues that shaping public opinion may be the most effective strategy for advancing its interests (ibid). While the variable public mobilisation measures the actions of the public, public opinion deals with the opinion and attitude of the public and how that can be influenced. It is applicable as a tool to measure whether public opinion could prove influential to the oil industry

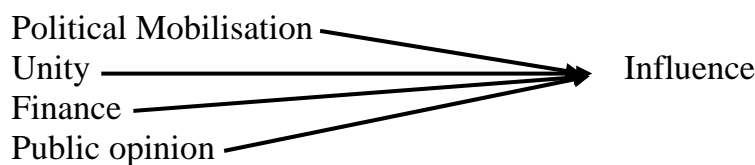
¹³ Think tanks are by Smith defined as “private nonprofit organizations engaged primarily in investigating questions relevant to public policy. These organizations originate, develop, evaluate and publicize ideas about the policy direction the nation should pursue” (Smith 2000: 169).

The perspective of Smith suggests that think tanks (like the GCC) could shift public opinion in the favour of the industry “which through the process of political representation will later bring policy decisions into closer alignment with what business collectively wants” (Smith 2000: 169). Though related to the variable public mobilisation in that public opinion may cause or affect public mobilisation and vice versa, they are still two independent variables that measure different methods of influence for the oil industry. The variable is therefore relevant as an explanatory factor on why public opinion may lead to influence. In order to measure influence on this variable, one can measure media coverage and see whether the oil industry tried to influence public opinion this way. It is also possible to look at the independent research published by the oil industry to see whether their publicised results were able to sway public opinion. One can also look at polls taken on the public’s view on the issue though these can be more employed as an assessment of how the public viewed the issue and not as established facts.

2.3.5 An Explanatory Model

Based on the theoretical framework presented in this chapter and operationalisation of the various variables, I have created an explanatory model to enable a better understanding of the components I will attempt to measure in the analysis.

Figure 2.3.5.1 An Explanatory Model



The model indicates four independent variables that will lead to the dependent variable influence. In order to limit the thesis I will only look into the relationship between the independent variables versus influence, and how these variables could have given the oil industry influence. Though it is possible there are mutual relationships between the

independent variables, I will focus mainly on their relationship with the dependent variable.

The model is created in order to illustrate the variables in the analysis. This is in order to evaluate and determine the achievement of influence. As the model shows, influence is the dependent variable which could be achieved through one or more of the independent variables. My assessment at this stage is that the variable political mobilisation may lead to influence, as the ability to present their views in the decision making arena and obtain support from decision makers could be decisive in gaining influence. Furthermore, public mobilisation, which is the industry's ability to affect the public in their favour and influence their actions, could help gain access to the decision makers and could put their case on the political agenda.

It is my assumption that unity within the industry is likely to occur when the industry believes it will gain on standing together on an issue. By appearing unified the industry will come across as strong and this in turn can lead to influence for the oil industry.

Economic resources or finance, meaning the amount of resources the industries bestow, has an independent impact which may lead to influence in the US decision not to ratify the Kyoto protocol. This is an assessment based on the fact that the oil industry had tremendous economic resources, and were thus able to support and fund political parties and candidates favourable to their views. Additionally, campaigns and advertisements to inform and persuade the public and research and experts which preferably concur with the views of the oil industry may also be attainable due to financial resources. This could then lead to influence.

Finally, public opinion indicating the views and attitude of the public may give a positive score on the influence dimension for the oil industry as it may enable the oil industry to have their views presented to the decision makers. Ultimately it might result in legislation favourable to the opinion of the industry being passed.

2.3.6 The Theoretical Perspective

Based upon the theories and explanatory model presented in this chapter, I have extracted four variables I will use in order to create an analytical model. I will use these four variables when analysing the material I will attain;

- 1) Political mobilisation meaning the possibility for the oil industry to gain access to the political arena and mobilise support from the public.
- 2) Unity illustrates that a unified position may lead to a high score on the influence dimension.
- 3) Financial resources indicate that larger resources enabled more influence. This would include financial support of scientific research, establishment of think tanks and supporting political parties and candidates.
- 4) Public opinion indicates that having the public opinion on the same side will prove beneficial to the oil industry when attempting to gain influence.

I will explore the effect of the different variables and measure them independently for each time frame before comparing them and the different effects. This way, a theoretical approach to the empirical data and the research question of the study can be achieved.

2.4 Methodology

Methodology exists to help us solve empirical problems when conducting research (Hellevik 1991:13). In order to give a better understanding of how the process of the study took place and how potential problems were solved, I will in this section present a definition of the term case study and discuss the basis for categorising the study as a case study. Furthermore, I will address the data of the study, how it was collected, sources, control of the data and possible errors that could occur when researching and employing the data. Finally I will discuss the reliability and validity of the study.

2.4.1 Case study

This study is as mentioned in chapter one a comparative case study. A case study is by Andersen (1990: 8-9) defined as a research strategy where you study one or a few cases of a general phenomenon. The case is often studied with an aim for research and with several different methods because the boundaries between the phenomenon and the context surrounding it cannot be determined in advance. The case can be a social unit, for example an organisation, but also an event or a process, for instance a conflict, a resolution or a process of implementation. Considering it is the process of not implementing the Kyoto Protocol I am researching, I consider case study to be the most relevant method for this thesis. Case studies are preferred in situations where how or why questions are being posed (did they achieve influence and was it decisive for the outcome?), and when the investigator has little control of the events or when focus is on a contemporary phenomenon with some real life context.

My case is discussing the influence of NGO's in the US. In my opinion, this study is a good example of a case study as it is illustrative of potential NGO influence in American politics and how the American political system enables access to the decision making arena for nonstate actors.

The study is a comparative case study. It is comparative because I am comparing two case; the phase before the signing and the phase after the signing until the decision not to ratify Kyoto was made. I will explore and consider whether vital aspects and explanatory factors with the two cases can give an indication of the difference in outcome. Ultimately the objective is to find different configurations in the explanatory factors and whether this can explain the result (Ekberg and Vatnaland 2002:30).

2.4.2 Collecting of data

In this section I will give a more thorough presentation of how the data was collected and how the data will be employed in the analysis. The study takes forth the oil industry in the US and acquiring information on the topic would thus depend on the amount of studies done on the topic, the possibility of finding relevant sources for interviews and relevant literature written on the subject.

2.4.2.1 Sources

This study has been based on primary sources such as official documents from the UN and the White House and secondary sources, mainly relevant academic articles and literature, newspaper articles and internet sites. Fortunately, there is an extensive amount of literature on the Kyoto Protocol and the oil industry's involvement.

Establishing a background on Kyoto was done through UN documents, as well as published literature and articles on the content of the Protocol. As for the oil industry, there was a great deal of articles and books on the subject, as well as newspaper articles and documentaries. The positions of the oil industry were also described on the oil companies' web sites. The study has therefore to a large extent been based on secondary sources. Potential problems associated with the use of secondary sources are described below.

2.4.2.2 Reliability

Reliability means that others with access to the same data would arrive at the same result, and that the information given can be trusted and verified. Thus one constantly has to evaluate the reliability of the sources being used. It is crucial that the quality of the data is high as it can have serious consequences for the study if the data lacks reliability. Considering this study includes secondary sources, it has been necessary to take certain precautions. Secondary sources must be read critically, and preferably be verified by other sources. There are several potential problems one may encounter by using secondary sources, the most critical being the credibility of the information and the possibility of incorrect information. For instance many articles have been written to intentionally document only certain facts favourable to one side. Facts presented could instead be opinions and documented research could prove to be inconclusive. This is for instance the case for newspaper articles which often risk being subjective opinions, either by the journalist or by the people being interviewed. To avoid the subjectivity being presented as data, newspaper articles were utilised as an indication on how the oil industry used the media to gain attention for their positions. Official statements by oil industry executives and American politicians were also quoted from newspaper articles, and verified by other sources if possible.

Internet sites were used to achieve an indication on API, GCC and ExxonMobil's official positions. These were used to give a description on how they viewed the Kyoto Protocol and not as facts on the Protocol itself. In addition was the internet of help in order to attain official documents from Congress, The White House and the UN

In order to obtain reliability, information must be cross checked and one is dependent on strict and thorough research to verify the documentation presented in the study. The possibility of misinterpretation exist, interpretations of statements and facts may have been misunderstood and could possibly result in a lower degree of validity. I believe that the thorough research and verification of all data has reduced this possibility. I have employed many different sources and all of them have been thoroughly corroborated.

One should also keep in mind that polls and research can be made to suit specific views by "hired" experts or using "leading" questions. Therefore they must be verified and documented by other sources in order to be used as documentation. In this study I have used polls as an indicator of the American public's opinion on the Kyoto Protocol and their views on whether or not the Protocol should be ratified. The polls have not been used as factual data, meaning they will not be presented as facts but as an indication of how the public viewed the topic.

I consider the reliability of this thesis to be sufficiently high, my primary sources are official statements or documents from the actor, and the secondary sources have been read critically and verified by other sources.

2.4.2.3 Validity

Validity is defined as the "coherence between the theoretical definition of a variable and the operational definition controlling the collecting of data" (Østerud et al 1997: 285). There are two kinds of validity; internal and external. Internal validity is explanation building while external validity establishes a domain where findings can

be generalised (Yin 1994:33). Validity means to generalise the data over a wider population of cases, and validity can easily be connected to reliability, as it is a tool preventing the researcher to achieve biased results and enabling others to reach the same conclusions based on the same materials. I will not seek to generalise outside of the empirical case I have chosen. The Kyoto Protocol is a unique phenomenon and it is the influence of the oil industry I seek to analyse, not other actors or agreements. That way I will avoid external validity.

Chapter 3: The Actors and Empirical Background

This chapter will provide a brief introduction of the background of the most important views of the oil industry. This is done in order to give a better comprehension of the analysis that will take place in the next chapters. Considering my study will look at the influence achieved to prevent the Kyoto Protocol from being signed and ratified, there are two other actors that must be taken into consideration; The Administrations of President Clinton and President Bush and the US Congress, more specifically the Senate. These will initially be given a short presentation to provide a better background for an understanding of the oil industry and its actions

3.1 The Administrations and Congress

3.1.1 The Administrations

Due to the fact that President Clinton signed the Protocol and President Bush refused to ratify it, there are two very different approaches to the issue of global warming in general and the Kyoto Protocol in particular.

When signing the Protocol in 1998, Vice President Al Gore, who was a prime advocate for Kyoto, issued a statement saying: “ Our signing today of the Kyoto Protocol reaffirms America's commitment to meeting our most profound environmental challenge, global climate change. At the close of the Kyoto conference, President Clinton and I made clear his intention to sign this historic accord. In the eleven months since Kyoto, the evidence of global warming has grown only stronger, and so has our resolve.” (Office of the Vice President, The White House: November 12, 1998). Vice President Gore had a strong commitment and interest in the issue of climate change. He was however, considered to be an outsider and not very influential as a vice president (Agrawala and Andresen 1999: 473). Although he spent his vice presidency educating President Clinton as well as the public on global warming and the need for policies (ibid: 474), he was not able to achieve support in the Senate.

The Clinton Administration's commitment to this issue can also be judged from statements and preparations before the meeting in Kyoto and the fact that both the President and the Vice President were present in Kyoto.

In preparation for Kyoto there were several meetings in the White House and according to the conservative Heartland Institute "Environmental groups also played a key role in formulating the Clinton administration's strategy for the Kyoto conference. Vice President Gore, Interior Secretary Bruce Babbitt, and President Clinton himself met with leaders of fourteen NGO's in preparation for an October 6 White House conference on climate change. The groups pressed the Administration to come through with a tough U.S. proposal for Kyoto, including strict targets and carbon-reduction timetables." (Sheehan 1997)

During the Clinton Administration which lasted from January 1993 to January 2001, the oil industry was not invited into the decision arena, something I will discuss more thoroughly in the analysis chapter. Early in his presidency, Bill Clinton proposed the British Thermal Unit (BTU) tax, a tax on the heat content on energy fuel which would lead to a reduction of GHG emissions (Andresen and Agrawala 1999: 461). The tax failed to pass a Democratic controlled Senate and resulted in a political failure for Clinton. The consequence of this failure was that no new proposals for national measures to combat climate change were presented during his presidency (ibid: 470). President Clinton signed the Kyoto Protocol but never pushed for ratification in the Senate. The potential reasons for this decision will be discussed in chapter five.

Republican George W. Bush took office on January 2001, representing a conservative wing of the Republican Party, whose constituents are often associated with fossil fuel reserves (Brewer 2003: 8-9). When President Bush entered office, energy firms were given access as some of the members in the innermost circle of the President's advisors, including Vice President Richard Cheney and Political Advisor Karl Rove were all opposed to mandatory climate change mitigation policy (Brewer et al 2003:

15). Additionally, several members of the Administration, including Cheney and National Security Advisor Condoleezza Rice had backgrounds in the oil industry¹⁴. President Bush opposes government intervention in economy and is not favourable to policies which would impose changes in the US energy industry (Brewer 2003: 8). This could explain why many of his advisors come from the energy, auto and oil industries. The possible impact the data presented above might have had on the influence of the oil industry will be discussed in chapter five.

According to the environmental news magazine Grist¹⁵, the GCC was also allowed access to the political arena and according to a briefing note from the White House, Bush rejected the Kyoto Protocol in part based on input from the GCC.

3.1.2 Congress

The US Constitution restricts the freedom of actions by the American President (Skjærseth and Skodvin 2003: 215). The legislative branch Congress is therefore quite powerful in the American political system. The US has a pluralistic political system, where consensus- and coalition building can shift the focus over to topics of their interest regardless of the national administration (Brewer 2003: 5). In other words, a strong coalition may achieve influence without the support of the presidential administration.

In 1994 the Republican Party won the majority in Congress. From being the minority they now held 52.9% of all Congressional seats (McCright and Dunlap 2003: 360). This enabled the Republicans to establish their own legislative agenda, including deciding which bills would receive attention and which would not (ibid). One may speculate whether the takeover had a positive effect on the oil industry as their opportunities to promote their views grew (ibid: 364).

¹⁴ Excerpt from *Boiling Point* by Ross Gelbspan (<http://www.grist.org/advice/books/2004/07/21/gelbspan-boiling/>). Hereafter Gelbspan 2004.

¹⁵ www.grist.org/news/daily/2005/06/08/1/

In 1997, a few months before the Protocol was signed, the US Senate unanimously passed the Byrd-Hagel resolution which made the ratification of Kyoto difficult. The resolution stated that it would not ratify any agreement signed at Kyoto that “would impose binding limits on the industrialized nations but not on developing nations within the same compliance period” and “would result in serious economic harm to the economy of the United States” (105th Congress, 1st session s. res. 98). Senator Robert Byrd was a democratic representative from West Virginia, a coal producing state which had a keen interest in staying out of Kyoto. During the 2000 presidential election, West Virginia voted Republican for the first time ever and I will get back to this in chapter five.

3.2 The oil industry

The oil industry faces an ethical dilemma when it comes to climate. It’s a catch- 22 between the search for a profitable oil industry and the fact that CO₂ emissions induce climatic changes that are potentially harmful to society (Le Menestrel et al. 2002: 255). To this industry, the constraining of CO₂ emissions is primarily considered through its negative impacts on profit. When the Kyoto Protocol enters into force, the pressure on the oil industry will be tremendous. The reduction of emissions will indirectly lead to a shift towards technologies consuming less or no fossil fuels. This will greatly affect the oil market. Measures to combat global warming are for these reasons considered to be more threatening to the oil industry than traditional pollution control measures (McCright and Dunlap 2003: 353). Actors in this industry must choose between the ethical process that leads to a costly consequence and an unethical process that leads to profitable consequence (ibid).

3.2.1 Background of API and the GCC

American Petroleum Institute (API) was founded in 1919 and is the primary trade association for over 300 corporations associated with the petroleum industry. The institute is based in Washington DC, USA and works with regional and state oil and gas associations in approximately 50 countries.

The GCC was established in 1989 in order to present a business voice on the global climate- change issue. It was also formed to lobby on behalf of fossil fuel users and producers in Congress (Kolk and Levy 2001: 503). The GCC is an association of 56 predominantly US companies, many of which operate in the fossil fuel sector (coal and oil in particular), the electric utility industry, transportation-related industries, or the chemicals sector. The GCC highlights the remaining uncertainties in the science and argue that the costs of adopting proactive policies would be huge, particularly for the US economy (Rowlands 2000: 343-344). In 2000 the GCC reorganised its membership system and members could from then on only be branch organisations and not individual companies. According to Skjærseth and Skodvin this reorganisation was done to “counter the negative publicity following from the exits” (2001:105)¹⁶.

One of the most important companies within the API is ExxonMobil. Considering Exxon is the largest private oil company and even the largest multinational company in the world, irrespective of sector (Skodvin and Skjærseth 2003: 44) with over \$200 billion in revenues, it is a strong actor within the API and many of its policies, especially those concerning Kyoto, are consistent with those of API. ExxonMobil was also strongly involved with the GCC until it changed its membership system, and then continued to be a strong actor through API until the GCC dissolved in 2001.

The oil industry is one of the largest industries in the world. Considering API consists of some of the largest oil companies in the world, it is safe to say it's a very large association with a great deal of financial resources.

3.2.2 API and GCC's policy on climate change and Kyoto

According to API's home page¹⁷, “the oil and natural gas industry believes that the targets and time tables for reducing GHG contained in the Kyoto Protocol would exact

¹⁶ The exits refer to oil companies such as BP Amoco and Shell leaving the GCC in 1997 and 1998 respectively.

¹⁷ www.api-ec.api.org/enviro/index

too heavy an economic price given our current understanding of the evolving science of climate change”. They stress that in order to achieve the goals put forth by Kyoto, the US must change the way they use energy and that will prove costly for Americans, resulting in higher prices on gasoline, electricity, heating oil and natural gas. That will result in American businesses losing out in the international market place as developing nations which are exempt from the Protocol will have lower and more competitive prices. The industry has made estimations that indicate Kyoto would reduce US GDP by \$200 billion annually. The declines in economic growth as well as the possibility of job losses are other reasons for the API not wanting to join Kyoto. They feel it will “unnecessarily disrupt the lives of American families” (ibid).

It has been argued that the US can join Kyoto now and then amend it later to improve the Protocol. However, API emphasizes that because of the American system of implementation demanding an international protocol to be national law, it is nearly impossible to amend the treaty after it is implemented as it would have to be approved by all of the participating nations (ibid).

Furthermore, API stresses that the scientific results do not concur on the reasons for climate change (ibid). Scientists disagree on whether the problem of climate change is a potential threat to mankind or not. They also stress that it is very difficult to separate natural climate changes from human induced climate changes, and therefore deciding on public policies is very difficult. The oil industry and in particular API and GCC have contested the legitimacy and findings of the Intergovernmental Panel on Climate Change (IPCC)¹⁸. Considering the research by the IPCC is held in high regard internationally, the oil industry has attempted to discredit the IPCC and presented accusations on manipulation in the organization (Michaelowa 1998:12).

The threat may be real sometime in the distant future, but API feels there is no need to take action now. Instead, API supports more research on the causes of climate change and favours development of new technologies that can reduce GHG and be exported to

¹⁸ The IPCC consists of the lobby of international climate research and was created in 1988 to investigate climate change (Kolk and Levy 2001:503). The US was one of the main driving forces behind the establishment of the IPCC and the organization consists of researchers. Their regularly published assessment reports “define the base for climate negotiations” (Michaelowa 1998: 12).

developing countries so that they are enabled to reduce their emissions while they are still able to industrialize. API stresses that “the question is not whether to act, but rather what policies are appropriate for the existing state of knowledge on climate change”¹⁹.

As for the GCC, the chairman of the GCC, Connie Holms, has stated that the Protocol is a loser for American households, and that it will cost American families millions of dollars and millions of jobs. The GCC was notoriously known for their aggressive activities and lobbying against for instance Kyoto. When the GCC was dissolved in January 2001, the spokesman for the coalition stated the reason for the disbandment being; “we have achieved what we wanted to accomplish with the Kyoto Protocol” (Najor: 2001).

As mentioned, one of the most prominent actors within the API (and the GCC until 2001) is ExxonMobil, an active member of the oil industries lobby groups. Exxon is considered to be the most resistive to proactive policies on global climate change amongst the oil companies (Rowlands 2000:344). The reasons for Exxon’s unwillingness to support the Kyoto Protocol are almost identical with those of API. For instance, Exxon has voiced concern of the economic consequences of Kyoto, as well as the Protocol’s decision to exclude the developing countries. They feel the Protocol is too expensive, that it is unfair and that it will not work.

The GCC claims that gasoline prices would go up extensively and that energy consumption would have to drop (Sawin and Davis 2002: 26). Considering the desire of the GCC to kill US ratification of Kyoto, it would be necessary to consider their statements with some scepticism. Furthermore, during the Kyoto negotiations, the GCC presented a briefing indicating the possible impact the Kyoto Protocol would have on American sovereignty and that the UN and developing countries would take control over US economy (ibid: 17).

¹⁹ <http://www.api-ec.api.org/environ/index>

The actors I have selected all took a reactive strategy to the Kyoto Protocol. By reactive I will utilise the interpretation given by Skjærseth and Sæverud (2006: 6) stating that “the essence of a reactive strategy formulation is denial of responsibility for the environmental problem at hand as opposed to a proactive strategy which means acceptance of responsibility”. Although Shell and BP both supported the Kyoto Protocol and left the GCC, ExxonMobil continued to oppose climate policy (Skjærseth and Sæverud 2006:11)²⁰. In the book by Skjærseth and Skodvin, one of the reasons given for ExxonMobil being more reactive is that the company is more carbon intensive than Shell and BP and thus more vulnerable to GHG regulation (Skjærseth and Skodvin 2003: 201). Before Exxon and Mobil merged, Mobil although reactive, was more diplomatic in its leadership style; however that did not change ExxonMobil’s united approach towards discouraging the effects of climate change (Kolk and Levy 2001:506).

3.2.3 Climate and Kyoto

In the climate change discussion, API²¹ underlines that CO₂ is the main GHG of concern, and that it is the remaining CO₂ after the oceans and plants have absorbed most of the CO₂ that is of concern. Today, nearly everyone contributes to GHG emissions by driving cars, using electricity, operating factories and so on, and in addition, the burning of forests increases GHG and this explains why actions by man are central to climate change. However human activities only produce a small proportion of the emissions and the Kyoto Protocol is according to API too extreme in its measures as it will drive up the cost of living and interfere with the American way of life. Recent research has, according to API, shown that the increased amounts of carbon dioxide or other GHG in the atmosphere may be the result, rather than the cause, of rising temperatures. API thus claims that the Kyoto Protocol will not improve the climate changes and only make life more difficult for everyone while the

²⁰ Their opposition has been moderated somewhat the last few years; however this is after the decision to not ratify Kyoto and thus has happened outside my time frame. I will therefore not explore their new politics further.

²¹ <http://www.api-ec.api.org/enviro/index>

environment will not gain much. Not enough is known about climate change, and until scientists and experts agree, it will be too drastic to enter agreements such as Kyoto.

Environmental scientist Fred Singer have stated that “the climate issue is not settled; it is both uncertain and incomplete” (Taylor 15.09.1997) and have undermined the findings of the IPCC. Considering he’s a known sceptic, his views coincide with the oil industry and the oil industry has promoted his scepticism to gain more support (ibid).

The fact that there is no international consensus for accepting the accompanying economic costs of the Kyoto Protocol speaks against the Protocol. If rules are broken, there is no international court to punish the offender, and this demands a great deal of trust between the signatories and has therefore worked as an argument against the efficiency of the Protocol.

3.2.4 The politics of the oil industry

According to Sæverud and Skjærseth (2006:4), the ambition of ExxonMobil has been to “hinder a strong US climate policy and put the entire Kyoto Protocol out of action by lobbying against any binding targets and timetables within the US”. The oil industry is very familiar with lobbying and in the case of the Kyoto Protocol, Exxon and GCC in particular lobbied in Congress to make sure the Protocol was not ratified. According to Greenpeace, Exxon has spent \$13 million on lobby groups and think tanks in order to discredit the Kyoto Protocol since 1997 (Gelbspan 2004). In addition, Exxon contributed \$1.2 million to the Republican Party in 2000, and is one of the largest contributors to the Republican Party from the oil industry²². Since 1991, US oil companies have, according to Greenpeace, funded the political process with \$53.4 million where $\frac{3}{4}$ of this was given to the Republican Party²³ (Briefing 03.12.1997 Greenpeace).

²² <http://www.corporatewatch.com.uk/?lid=294> Influence/lobbying

²³ The numbers were presented at a Greenpeace briefing called “American Industry Against the Planet” on December 3rd 1997 ([http:// archive.greenpeace.org/climate/kdates/december03.html](http://archive.greenpeace.org/climate/kdates/december03.html)).

3.2.5 Public mobilisation

The oil industry, most notably Exxon and the API, have presented their sponsored lobbyists and think tanks in the media as independent experts who have all questioned the authenticity of climate change. Exxon is a financial supporter and on the board of the API, and in 1998 they helped plan a \$7 million public relations offensive to discredit the scientific consensus on the existence and threat of climate change (corporatewatch.org.uk). In addition, according to Greenpeace, Exxon sponsored \$13 million in advertising campaigns which focused on developing countries are left out of the Kyoto Protocol (Briefing Greenpeace 03.12.1997).

A poll by Newsweek (Newsweek 1997) revealed that in 1991, 35% of Americans considered global warming to be a serious problem, but in 1996 only 22% said the same. In chapter five I will present several polls on the American public's view on Kyoto and global warming.

The GCC has also been active in publicly dismissing the Protocol. In 2001 they launched a media campaign on TV, in newspapers and in weekly periodicals that criticised the Protocol. They also lobbied in Congress to persuade Senators and members of the House of Representatives to vote against Kyoto.

The analysis chapters four and five will address the fruitfulness of the oil industry's efforts in attempting to influence the public.

3.2.6 Positions within the industry

According to Skjærseth and Skodvin (2003:181-182), the response to the Kyoto Protocol by the US industry is, to some extent, dual. There are indications that parts of the US industry did take initial steps towards a more proactive stance. One example of this is the Pew Center on Global Climate Change, a US think tank. The objective of the Center is to educate policymakers as well as the general public about the causes

and possible consequences of climate change and to encourage the domestic and international communities to reduce emissions of GHG. In 2000, the Pew Center comprised 21 major US companies. Today the number has risen to nearly 40. The Pew Center now comprises previous GCC members such as Shell and BP. The problem, however, was that the entire US industry, including Pew members, was opposed to the Kyoto agreement. Thus, not even Pew had an explicit position on the Kyoto Protocol, at least not initially (Skjærseth Skodvin 2003:181-182).

Other groups which maintained a more reactive stance and disapproval of Kyoto were The International Petroleum Industry Environmental Conservation Association (IPIECA), the International Chamber of Commerce (ICC) and the International Climate Change Partnership (ICCP)²⁴. These industry lobby groups demanded more research and favoured voluntary programs for targets and timetables.

Skjærseth and Skodvin (2003:181.182) claim that the industries felt betrayed by the US government, and the Government's consent to the Protocol set off a reinforced mobilisation against it. The strategy succeeded and after the withdrawal from the Protocol, "the international climate regime entered the doldrums" (ibid).

3.2.7 Synopsis of the oil industry

To summarise, the core arguments of API and the GCC progressed as follows; Kyoto is too expensive and will have too many negative consequences for the American public. The GCC became an important actor in the fossil fuel lobby and was a representative for the opposition to amongst others the Kyoto Protocol (Skjærseth and Skodvin 2001: 105). The science of climate change is uncertain and climate change is not necessarily human induced or bad and more research must be done before the world should act on climate change. The policies under discussion (at national and international levels) are not the best way to tackle this issue. Instead, the oil industry focuses on voluntary methods of handling the climate change issue. The oil industry has created their own initiatives and is sponsoring research aimed at discovering the

²⁴ Governments: The Puppets of Industry? Article in Corporate Watch
(<http://www.gpuk.org/atlantic/politics/indbr.html>)

reasons for climate change and the best ways to tackle the issue. President George W. Bush has also expressed a favourable view on this approach. The argument given by the oil industry is that this is a long term process and must therefore be handled on a long term basis.

Chapter 4: Empirical Analysis of the Independent Effects on the Dependent Variable Influence from 1989 to 1997

4.0 Empirical analysis

The aim of the analysis is to determine the influence exerted by the oil industry from 1989 to the US signing of the Kyoto Protocol. The measurement of the dependent variable influence against the independent variables political mobilisation, unity, financial capital and public opinion is the core focus of the thesis, and the subject of the analyses. By employing the four independent variables extracted from the discussion of theoretical perspectives in chapter two, the discussion of influence obtained by the oil industry will be discussed and variations on the influence dimension will be explored. As stated in the introduction chapter, the study focuses on explaining an empirical phenomenon and thus it will be the analysis of empirical data measured along the independent variables that will receive the most attention.

Chapter four will focus on the time frame from 1989 to the signing of the Kyoto Protocol. Although comparisons will be made in chapters four and five I have chosen to focus the comparison of the variations in the dimensions in chapter six based on the data and discussion presented in chapters four and five.

This chapter will be arranged as follows; first I will present an assessment of the positions of the industry. Then follows the analyses, divided into sub chapters for each variable under which the discussion of the industry will take place. The effects of these variables will then be explored and measured. The relevance of the variables along with their explanatory factor will also be addressed in the discussion.

4.1 An initial assessment of the oil industry's involvement in climate control before 1997

Before analysing the data collected in the study I will first briefly establish the positions of the industries, what indicators were there of their positions and what did they do to deal with the concept of climate change.

The API, ExxonMobil and the GCC were all publicly opposed to the Protocol. Based on the unitary rational actor model the industry will act in their best interest, and considering the American oil industry would be affected economically by the Kyoto Protocol in the sense they would have to change their policies and business in order to accommodate the Agreement, my research has shown that the industry agreed to a large extent that the Protocol would harm their business and thus they opposed it. The analysis will discuss what actions the industry took to prevent the signing of Kyoto and furthermore ensure that the Protocol was not ratified. The indicators on the oil industry's position are their lobbying efforts towards policy makers, their media campaigns aiming at informing the public on the possible (negative) effects on Kyoto and their public scepticism of the Protocol.

4.2 Empirical analysis of the influence of the oil industry from 1989 to 1997

The first part of the analysis takes place before the signing of the Kyoto Protocol in 1997. I have narrowed the time frame from the establishment of the GCC in 1989 to the signing in 1997, even though the climate debate has existed since the 1980's in American politics.

I have selected this time frame in order to limit the study and also because with the establishment of the GCC the oil industry intensified the lobbying against climate control and eventually Kyoto as it was formed to prevent regulatory measures (Kolk and Levy 2001: 503).

4.2.1 Political mobilisation

4.2.1.1 Legislative bodies

Legislative bodies or arena access is the possibility the actors have to enter the decision making arena. In this study the decision making arena is the US Congress and the President and his administration. Achieving access at state level may also prove valuable when trying to influence policy makers, however as the Kyoto Protocol would demand a ratification and the Protocol would become a national law, it is the arena at the federal level which is of most interest.

The variable arena access derives from the discussion that took place in chapter two and below I will discuss its relevance and explanatory power.

The way the US governmental system is structured enables industries and NGO's access to the decision making arena, most notably Congress (Skjærseth and Skodvin 2003:138).

The US political system is highly pluralistic; individual firms and associations can influence many areas of legislative, administrative and diplomatic decision making processes. There are numerous committees and agencies within the national government which possess authority on climate change policy. The system is decentralised, across all levels, making climate policy important on multiple levels. This allows for consensus and coalition building efforts (Brewer 2003: 5) and thus lobbying through allies and campaigns to effectively influence policy makers. Lobbying within this arena has become part of the American political culture and allows influence to others than politicians and lobbying is even considered to be the best way for actors to enter the political arena and have (or try to have) their views heard (Skjærseth and Skodvin 2003: 138). The oil industry has a tradition for lobbying and thus, the American political system would therefore enable them access with a strong lobby.

The lobbyist think tank groups like the GCC are groups whose members are at risk of losing from climate policy considering many are in the fossil fuel industry. This could be a reason for them wanting to deny climate control regulations such as Kyoto

ratification. As mentioned, by employing the rational actor model, if the oil industry was to lose money by entering Kyoto, one may presume that the industry would work hard to prevent this from happening.

Along with other lobby groups within industries such as automobile and coal, the industry expressed concern with Kyoto and what would be potential consequences for the American economy. The oil lobby would stress arguments such as potential job loss and increased taxes (Michaelowa 1998: 7). Even before the establishment of the GCC, the oil lobby groups have opposed legally binding targets (Michaelowa 1998: 139) though it intensified when the Kyoto negotiations commenced (Kolk and Levy 2001: 506). In 1995 at the Berlin Conference the GCC handed out brochures in the shape of passports including statements on their views on climate change though they usually issue unspecific statements on the matter (Michaelowa 1998: 14).

During the Clinton Administration from 1992- 2000, environmental politics received a great deal of attention and President Clinton entered office with ambitious plans for emission reductions in the US (Christensen 2003: 3). However, the BTU tax mentioned in chapter three was turned down in the Senate, according to Christensen due to lobbying efforts from interest groups, including the oil industry (ibid). API joined forces with other industry interest groups and together they formed the American Energy Alliance for the sole purpose of defeating the BTU tax (Skjørseth and Skodvin 2003:139). It has thus been stated that “API is considered instrumental in defeating the BTU tax proposal in 1992” (Christensen 2003: 13). Skjørseth and Skodvin suggest that the 1992 BTU tax provoked API and ExxonMobil to such an extent that it strengthened their reactive stance on climate policy and climate change (2003:140). The BTU tax was considered a political failure to President Clinton and as mentioned in chapter three, no similar tax was proposed during his presidency. Environmental policies had been an important part of the presidential race both in 1988 and in 1992; however it was not an issue in 1996. Though not necessarily linked to the failure of the BTU tax, while the issue of climate change was becoming an increasingly more important political issue internationally, it was becoming a less important issue in the US. President Clinton’s defeat may have, based on the

perspective of political failure, made him more cautious to debate the subject. I will return to this discussion in chapter five.

In addition, the Byrd-Hagel Senate resolution mentioned in chapter three denied ratification of international agreements excluding developing countries had the API as one of the “key architects” behind it (Christensen 2003:13). In addition, Senator Hagel, a Republican, had close ties to the oil industry, while Senator Byrd, a Democrat, came from a state with great coal resources and thus a keen interest in maintaining the welfare of the state. It can thus be argued that the oil industry was a part of the Byrd-Hagel resolution from the very beginning and were able to follow it through.

The consequence of the Byrd-Hagel resolution was that it forced the Clinton Administration “to abandon efforts to obtain Senate ratification of the Kyoto Protocol (McCright and Dunlap 2003: 367).

Even though President Clinton stated that “meaningful participation“ by developing countries would be eminent in the US agreeing to sign an international climate agreement, the Kyoto Protocol was still signed despite the fact that this was not achieved with the Protocol (Christensen 2003: 17- 18).

According to an article by Bang et al (2005:1), during the Kyoto negotiations, the US stressed the need for flexibility in the Protocol and including as many nations as possible in order to keep the costs down. The article states that “The Clinton Administration’s support for Kyoto was based strictly on the assumption that international agreement could be achieved on some of the most disputed and contentious issues in the Protocol: full emissions trading, joint implementation, and participation by developing countries” (ibid). The US pushed for flexibility and went against the EU and the G77²⁵ on several issues²⁶. Though Kyoto undoubtedly would result in large costs for the US due most importantly to the increase in emissions the past decades, US negotiators were forced to give up on some of their most important

²⁵ The G77 consist of 77 developing countries and is the largest Third World coalition in the UN. The group works to promote the economic interests of developing countries (http://www.g77.org/main/gen_info1.html).

²⁶ This was particularly on issues regarding developing countries. The US insisted on stronger commitments from developing countries in the first Kyoto period from 2008 to 2012

issues (ibid). Had it not been for the last minute visit to Kyoto by Vice President Gore, the US might not have accepted or signed the Protocol. Despite their concessions, the US did win a few battles in the Kyoto negotiations and it has later been said about Kyoto that everybody got something and nobody got everything. Based on the perspective by Underdal presented in chapter two, the act of signing may have generated an interest in implementing the Protocol and considering the tough negotiations, it could have made the Administration work harder to ratify it. This will be discussed in chapter five.

In the US Congress, there was a broad opposition against the “targets and timetables” approach which was of most importance in the Kyoto negotiations (Bang et al 2005: 1-2). In addition to Congress members, influential stakeholders including the oil industry were against regulations of GHG emissions in the 1990’s. According to the article; these firms “adopted a confrontational strategy to avoid mandatory regulations, involving strong political pressure and outreach campaigns to influence the public opinion. The GCC and Exxon were major driving forces behind that strategy” (ibid).

The oil industry did at an early stage obtain a reactive strategy towards the Kyoto Protocol. The political consequences of their view is well documented and it is proven that “ExxonMobil’s ambition has been to hinder a strong US climate policy and put the entire Kyoto Protocol out of action by lobbying against any binding targets and timetables within the US” (Sæverud and Skjærseth 2006:4).

The US oil lobby is led by API, Exxon and until its dissolution in 2001; the GCC which together have actively blocked or tried to block legislation that could be unfavourable to the industry (Skjærseth and Skodvin 2003: 215). Since 1993 the industry has won several battles in Congress, preventing climate friendly proposals that could potentially harm their economy from being passed (ibid). According to Christensen, the anti-Kyoto lobby was “instrumental in shaping climate policy” (Christensen 2003: 13), indicating the influence by amongst others the oil industry on the issue of Kyoto.

The American oil industry was according to Skjærseth and Skodvin (2003: 138) excluded from the domestic Kyoto negotiations which led to the US support of the Protocol. API made several attempts to communicate with the administration, but were rejected and thus concluded that the Clinton Administration was unwilling to cooperate with the American oil industry. Due to Vice President Gore's interest in global warming the green movement, and thus the counterbalancing forces to the oil industry, achieved easier access to the presidential arena. "From 1993 to 2000, the Clinton- Gore Administration tried to develop a viable climate policy at home as well as internationally by keeping "big oil" at arms length, while consulting with the green movement. This strategy proved unsuccessful because of Congressional resistance, partly as a result of intensive lobbying by the fossil fuel industry" (Skjærseth and Skodvin 2003:139). Another reason why this strategy proved unsuccessful may be the 1994 elections which changed the Republican Party's situation from being a minority party to being a majority party holding 52.9% of all Congressional seats (with a 53% majority in the Senate) (McCright and Dunlap 2003: 360). This increased the possibility for anti-global warming campaigns by the conservative movement (ibid) and one may thus assume that this could also be the case for the oil industry. McCright and Dunlap state that the Republican takeover had a positive effect on industry and that there was an increased visibility for industrial interests (2003: 363-364). Though the conservative movement and the oil industry are not united or known to actively cooperate with each other, their interests often reinforce each other (ibid:368).

The Republican takeover could have been beneficial for the oil industry as the access to Congress may have become easier.

There was in general little cooperation between industry groups and policy makers before the Kyoto negotiations (ibid), something that was not the case in the time span before the decision not to ratify the Protocol. I will get back to this in the next chapter.

Although climate change had been an issue for more than a decade, it was the preparations and negotiations for the Kyoto Protocol that had the most influence for other oil companies besides Exxon (Kolk and Levy 2001:506). Climate change became an issue on the agenda for the oil companies and some made public policy changes and started focusing on renewable energy (ibid).

The relevance of this variable is based on the assumption that arena access would give the oil industry more influence. Based on the facts presented above, it is evident that the oil industry had access to the US Congress. Their lobbying efforts commended them such “victories” as the refusal of the BTU tax and the Byrd-Hagel resolution which made the possibility to ratify the Kyoto Protocol more difficult if not impossible. By being able to access the decision making arena it would enable the industry to lobby their views and make themselves heard. This would give them the possibility to achieve influence.

The factor that President Clinton would not allow them any access to the most crucial decision making arena could prove to be an important element in the discussion and lower the industry’s score on the influence dimension. After all; the Protocol was signed, despite the industry’s wishes.

On the other hand, by being denied access to the president, the oil industry concentrated on Congress and the US Senate, where they had achieved success with the BTU tax before and were again able to have a resolution passed that in reality made ratification of the Protocol impossible. Considering the power the US Senate has, it was perhaps not crucial for the industry to be able to influence the President. In order for the Protocol to be ratified it had to obtain support in the Senate which at the time was Republican dominated. Therefore it would appear to be of most importance to influence the Senate as it would have the decisive word on the matter. As mentioned in chapter three, the US oil industry has been partial to the Republican Party while President Clinton was a Democrat. It appears however that there was

disapproval from both parties concerning the Kyoto Protocol in the Senate before the signing.

The explanatory power of this component is thus relatively strong as it shows that although unable to access the President, the industry achieved influence in the Senate. Therefore, the score on the influence dimension is relatively high, in spite of the fact that the Protocol was signed, the Byrd-Hagel resolution made the process more difficult for the Kyoto supporters.

4.2.1.2 Public mobilisation

The component public mobilisation embraces the possibility for the industries to penetrate American society by trying to influence their opinion on the public and thus influence the actions taken by the public which could prove beneficial to the oil industry. It is influencing the public's actions which are of interest in this component. This can be done for instance by media campaigns where the objective is to inform the public on a specific issue the industry is trying to gain support on and thus influence the public to act on it. The theoretical perspective I presented in chapter two concludes that it is eminent to persuade the public in addition to legislative bodies in order to achieve influence. The question is therefore which strategies did the oil industry use to influence the public?

There are many ways of mobilising the public; however the perhaps most open and easiest measurable component in this variable is sponsoring of research and political campaigns to inform but also have the public act accordingly to the wishes of the oil industry.

This independent variable political mobilisation argues that by mobilising the public, the oil industry may achieve access to legislative bodies and this way obtain influence. As discussed in chapter two, influencing the public to act, for instance either by voting for a political candidate favourable to the views of the oil industry or by having the

public voice their views to decision makers could potentially lead to influence for the oil industry.

In 1994, as mentioned in 4.2.1.1, the Republicans gained a majority in both houses of Congress. The oil industry had sponsored the Republicans and achieved success in their investments considering the Republicans took control over Congress and even though the President was a Democrat, the legislative body in the US was now Republican. One may argue that with the aid of the oil industry, more people voted Republican and this way as argued in 4.2.1.1 their access to the decision makers increased.

On the other hand, the Presidential election in 1996 resulted in President Clinton being re-elected and although the Republican majority remained the same in Congress, they were not able to win back the oval office.

Public mobilisation is a relevant component to this particular time frame as it enabled the industry to mobilise the public in their direction. The intention to mobilise the public and through them have the elected officials vote accordingly to the voters' wishes could prove influential and give a high score on the dimension. That would happen if it is proven that the elected politicians will vote according to the public and that the public has a clear view whether they are for or against the Protocol.

Furthermore, if following the public opinion is of interest to members of Congress, the explanatory power of the theoretical perspective may be strong.

Based on facts presented above and in chapter two, both the anti-Kyoto and the pro-Kyoto movements were interested in informing the public on climate change. The most important counterbalancing forces to the oil industry were the green movement with actors such as Greenpeace working actively to inform the public on the negative sides of not entering the Protocol. For the oil industry it was important to shed doubt on the relevance and even existence of climate change. By making the problem appear smaller and question if climate change was human induced, scepticism may be raised. Hiring expertise supporting these views and presenting findings to the public

questioning the counterbalancing forces arguments could contribute to doubt being raised in the issue. How to indicate influence achieved on this variable will thus be whether these campaigns had any effect and whether the politicians listened to what the public said and also if the public voted accordingly.

The possibility to access legislative bodies and the effect the public could have on the possibility to access makes up the variable political mobilisation. Public mobilisation could thus be of help to the industry in order to achieve arena access. The question is thus if it would be enough without the arena access. By supporting political campaigns and advertising, the public could be swayed to act according to what the oil industry wanted and if they were not able to achieve arena access before, by having favourable outcomes in the elections, this position could change. One could argue that this was the case after the elections in 1994 and 1996. The Republicans took control over Congress, and although Kyoto was signed, Byrd-Hagel put a stop to ratification. Could this have happened without Republican majority? Considering the BTU tax was thrown out in a Democratic majority Senate, it is possible to assume that it would have been difficult regardless to put a stop to Byrd-Hagel. In addition, Byrd is as mentioned a Democrat. Therefore, although the oil industry effectively was able to sponsor Republicans to victory, it may not have made a difference. President Clinton did not need the Senate's approval to sign and although there was a Republican majority they were not able to prevent it. However, through the public's voting, the oil industry did gain access and in that way were able to continue the fight after the signing.

4.2.2 Unity

The theoretical perspective of unity in business claims industries are stronger united than divided. The "potential for unity" mentioned in chapter two can be decisive for political effectiveness. When less divided and better organised the possibility and effectiveness of promoting shared concerns is increased. When deciding whether an industry is unified (using the interpretation presented in chapter two), one must first establish to which extent they agreed on the issue. Then one can decide in what

degree the industry was unified, and if that was decisive for the outcome, meaning the decision not to ratify the Kyoto Protocol.

According to Smith; “if a sizable majority of firms maintains a collective position either for or against a passage (like ratifying the Kyoto Protocol), then the issue is an instance of business unity” (Smith 2000: 37). The author does not specify what sizable is, however I have interpreted it as being a clear majority of firms, i.e. there is no question where the majority lies. Whether the firm’s position on the issue is weak, medium or strong, meaning how involved they are on the issue can be of importance. Additionally, their score on the unity dimension, in other words if they achieve high, medium or low scores on the dimension, can also have an effect on how unified the industry really is and how unified it appears.

The American oil industry in the time span 1989 to 1997 were united in different degrees. Exxon was one of the strongest opposers to Kyoto and maintained a reactive stance against Kyoto and climate change throughout the debate. Other oil companies such as Shell and BP eventually changed towards a more proactive view. Until 1997, BP was a member of the GCC, Shell left in 1998, but they remained members of the API.

US based oil companies such as Texaco-Chevron and Philips-Conoco in addition to ExxonMobil opposed the Kyoto Protocol in this time frame, although some like Texaco chose a more proactive strategy than Exxon. In other words, there was a clear difference between the European originated and American oil companies.

According to Le Menestrel et al, the oil company BP, a member of both the GCC and API in 1997, changed their strategy a few months before the Kyoto Conference and went from representing the views of the GCC and API to recognizing the risk of human induced climate change based on the assessments of the IPCC (Le Menestrel et al 2002: 258). However, though their official strategy changed, their investments and research remained the same, indicating the company did not do much different than ExxonMobil. Therefore, though they publicly claimed to be different than other oil companies, critics claim they have remained the same (Le Menestrel et al 2002: 261).

The GCC being an oil industry lobby group is a good indicator on a united industry as it included a large portion of the industry. However, after 1996 many of the companies left the GCC, first and foremost the European companies but eventually also the American. This makes measurement of unity more problematic considering the GCC had fewer members and thus it would indicate wider opposition within the industry. This is more the case for the other time frame as only BP left before the Kyoto negotiations were completed and considering the other industries remained members until after 1997, it is possible to assume that the GCC is an indication of a united industry before the signing of Kyoto.

Additionally, there were several other well-established lobby groups within the industry that all worked against the ratification of the Protocol. As mentioned in chapter three, IPIECA, ICC and ICCP were all against Kyoto, claiming it was too much too soon, and argued for the participation of developing countries. They also preferred voluntary programmes and no binding measures like those in Kyoto. They were however not equally persistent in their opposition. Both the GCC and the IPIECA attended international climate negotiations in order to prevent or persuade governments to not act too hastily during the Kyoto negotiations. The same two groups issued separate statements both stressing the economic consequences of the Protocol and along with API they expressed concerns on the impacts on trade, life style employment and American competitiveness in the international markets.

Though it may appear that the unified position of the oil industry was about to experience certain challenges with several large oil companies leaving the GCC and changing their strategies towards climate change, the data presented above indicates that despite the exits from the GCC, the oil industry were before the signing of the Kyoto Protocol united in a fairly strong degree. There appears to be a high degree of consensus as very few (if any) of the oil companies publicly supported the Protocol. According to McCright and Dunlap; the oil industry “was nearly unanimous in its denial of global warming and its rejection of any binding climate treaty” (2003: 369).

The research indicates that although strategies were altered before the Kyoto negotiations, the official stance towards Kyoto maintained sceptical. Considering API represents a large portion of the American fossil fuel industry, one can thus conclude that the oil industry was to a large degree united.

The question is then whether this lead to increased influence for the oil industry. The high degree of consensus may give an indication of strength as argued in chapter two. A strong united industry may therefore have been able to easier obtain their objectives and thus achieve a high score on the influence dimension. If that is the case, the explanatory factor may be deemed high as the united approach of the industry proved beneficial and increased their influence.

On the other hand, a unified industry could have had very little significance. There may have been other variables with greater importance like the above mentioned political mobilisation. Though it is likely that a unified industry would be beneficiary to the oil industry, it is difficult to say whether it had any large impact on their achievement of influence. Therefore the score on the influence dimension is uncertain. The reason for this assessment is that although it may have increased their strengths one may argue that it appears not to have been as decisive in the obtainment of influence as the perspective in chapter two indicates.

4.2.3 Financial resources

Financial resources are important in order to gain influence. The reason is that it is necessary to have the finances for lobbying, media advertising and sponsoring of for instance research and politicians which can prove beneficiary for achieving influence.

The American oil industry is one of the largest industries regardless of sector, and ExxonMobil is as mentioned the largest private company in the world. It is therefore safe to conclude that the industry is very strong financially, meaning the industry had a great amount of financial resources to spend on promoting their views. This would enable them to achieve the above mentioned criteria that this variable lists to possibly achieve influence.

ExxonMobil has since 1999 been one of the largest contributors to the Republican Party and their presidential candidates (Skjærseth and Skodvin 2003: 139). Between 1991 and 1996 the oil industry donated \$53.4 million to election candidates, making this the “key channel of influence for the US fossil-fuel industry” (ibid). Though this would allow them arena access, they would have to have the financial means in the first place, enabling this kind of sponsoring, and thus one can argue the independent impact and value of financial capital in the industry. By being generous and supportive towards political candidates one may easier achieve access if politicians with similar views win elections.

By owning financial capital, it enables a company, a person or an industry to sponsor research based on supporting their views. The oil industry sponsored scientific experts that were favourable to the wait and see approach, or at least agreed that the climate problem had a long term solution. They could also sponsor research where the results would not be definitive until after the Kyoto Protocol discussion had ended. That way, the result would not be admissible in the debate but it made the industry appear greener by claiming to sponsor climate change research.

As the other variables have shown, though the industry was a powerful united lobbyist, they were not able to influence the US President. Even the financial capital the industry bestowed did not change this fact. Though it has been discussed earlier that this turned out to be of little importance, it was also the fact that the industry sponsored the Republican Party while the president in this time frame was a Democrat.

The importance of this variable is that it may enable the industry to achieve influence by being able to sponsor research and perhaps most importantly political candidates who would vote favourable to the industry’s preferences. Skodvin and Skjærseth as mentioned above even suggest that the sponsorship of the Republican candidates before 1996 was the most important channel for the industry in obtaining influence. This statement would indicate a high score on the influence dimension and

furthermore that the explanatory power of the theoretical perspective is quite strong in this time frame.

4.2.4 Public opinion

The variable public opinion explores the possibility of achieving influence the oil industry may have had on trying to sway the opinion of the public in their favour. Understanding how the oil industry can affect public opinion can lead to understanding of industry power (Smith 2000: 213). According to Smith, influencing public opinion enables favourable policies.

The GCC, ExxonMobil and API have all spent money on information regarding Kyoto. In 1997, the GCC spent US\$ 13 million on ads against Kyoto, claiming it would cost 1.5 million jobs (Michaelowa 1998: 4). They were not alone in urging the public to take a negative stance against Kyoto, as mentioned API and Exxon did the same, along with other industries such as the automobile industry (Michaelowa 1998: 7).

In 1992 the GCC issued a press release titled “World’s energy should not be based on feelings” (Sawin and Davis 2002: 3). Press conferences were held portraying their sceptical view on climate change and climate science. In addition, the findings of the IPCC were criticised (ibid).

Exxon and Mobil merged in 1999, and both of them had been active, although in different degrees, in the climate debate. In 1997 Mobil sponsored a full page ad in the US press criticising the fact that developing countries were excluded from participation and encouraging initiatives to be voluntary (ibid: 18). In addition, the API ran a newspaper ad in 1997 supporting the Byrd- Hagel resolution, and simultaneously the US Business Round Table (BRT) ran a \$1 million advertising campaign on climate change and supporting the Byrd-Hagel resolution (ibid). API continued to sponsor media ads focusing on the potential rise in gasoline prices with the Kyoto Protocol.

API funded studies by WEFA²⁷ studying the Clinton Administration's proposals for reducing GHG emissions. The study encourages less ambitious goals than that of Kyoto and in chapter five I will present more of the WEFA study from 1998 which criticises Kyoto thoroughly.

The GCC has been a major lobbying organisation against Kyoto, and emissions control in general (targets and timetables) and has publicly disputed the works of the IPCC, while API have challenged the US National Academy of Sciences, both on climate change issues (Brewer 2003: 12-13).

In addition to the arguments of potential higher unemployment rate and the criticism of developing countries being left out, the GCC also argued that the US sovereignty was at risk. During the Kyoto negotiations, the GCC produced a press briefing claiming that the UN would take control over the US economic growth (Sawin and Davis 2002:17). This would, according to the briefing, result in a take-over by the UN regardless whether the Protocol was ratified or not as long as it was signed (*ibid*). As mentioned earlier, Americans can be sceptical to intervention from foreign bodies and therefore this could prove to be effective measures to achieve the support of the public in preventing the signing of the Protocol.

At the time of the signing, few people were aware of the Kyoto Protocol and thus had little or no indication of what they thought of the subject. Environmental issues were on the political as well as the media's agenda but not the view the public had on the Kyoto Protocol specifically. There were however made surveys on the public's view on climate change. The magazine Newsweek (1997) polled the American public in 1991 and 1996 on Americans view on global warming. In 1991 35% of the public saw global warming as a serious problem, but in 1996 22% answered the same. This was despite the fact that more research had been done documenting human induced climate change, and the focus on climate change had in general increased in the American

²⁷ WEFA (Wharton Econometric Forecasting Associates) joined forces with DRI (Data Resources Inc) to form Global Insight in 2002, an economic and financial forecasting company whose projects often are sponsored by API (<http://www.globalinsight.com/about>).

media and politics. Although these polls do not say anything about the public's view on the Kyoto Protocol, it still gives an indication that global warming was not considered to be a priority issue amongst the public.

According to API and GCC, the American economy would suffer, their competitiveness towards other states not involved in Kyoto would be reduced and gas prices would go up. The uncertainty the impact of emissions reductions might have on the economy was one of the main arguments used by the oil industry (Christensen 2003:11). Though it appears obvious that the oil industry would suffer financially, their arguments included how the Protocol would affect American way of life. Not only would there be higher gas prices, energy consumption would have to go down and that would affect the American public²⁸.

The most important argument presented from these actors was perhaps the argument that climate change could not be confirmed as a threat and that it could not be proved to be human induced. Though ExxonMobil has stated that global warming is a "legitimate concern" (Christensen 2003: 13), the company has been reluctant in acknowledging human induced climate change (ibid). This argument has been linked to economic reasons for not entering the Protocol as proactive measures would according to ExxonMobil be costly (ibid). By presenting their own research and specialist on the field they raised questions on the validity of climate change and urged for more research before committing agreements were signed. By expressing doubt on the issue, it may be assumed that API and GCC were attempting to influence the public's view on the issue and raise scepticism on the topic. Furthermore, API and GCC publicly discredited the findings of the IPCC and other research whose conclusions were unfavourable to the oil industry (Christensen 2003:13).

By having the public on their side, the oil industry might appear stronger and according to the theoretical framework presented in chapter two, having the public opinion on their side could lead to influence alone or combined with other factors.

²⁸ Views expressed by API on their web page <http://api-ec.api.org/environ/index>.

The \$13 million media campaign mentioned above was according to Andresen and Agrawala (1999: 478) perhaps not as effective as intended. In November 1997, a national survey found that only 8% of the public had seen the advertisements and 2% claimed to be more against Kyoto after viewing the advertisement. 67% answered that efforts to reduce GHG emissions would instead help the US economy (ibid). Though these numbers may not be presented as facts, they are an indication that despite their efforts, the media campaigns had little effect on the public. These findings correspond with the polls presented in chapter three and above which also indicate a favourable public opinion on Kyoto.

If the opinion of the public is the opposite of the oil industry then the explanatory power of this variable can be deemed weak. It would then appear that the oil industry would have to achieve influence on a different dimension and thus the score on the influence dimension will here be low for the oil industry. Considering the US signed the Protocol, the views of the public opinion prevailed and that could be an indication to the oil industry that in order to achieve its goal on non ratification, the public would have to be persuaded.

4.3 Synopsis of the empirical analysis 1989 to 1997

The discussion that has taken place in this analysis has searched to obtain a score on the influence dimension. Through the independent variables the analysis searched to find the explanatory power of the theoretical perspectives and whether they might give an explanation as to the oil industry's achievement of influence.

Though excluded from the inner presidential circle, API, GCC and ExxonMobil interpreted this as unwillingness from the Clinton Administration to include them in the debate and perhaps because of this, or for other reasons, focused on lobbying in Congress. The unanimous vote to pass the Byrd-Hagel resolution made the Kyoto Protocol in theory impossible to ratify. They were thus able to access the political arena and the variable political mobilisation can be argued to give a high score on the influence dimension as they were able to access the Senate. The fact that they were

not able to access the President could make the score lower, however due to the American political system, lobbying can prove quite influential and considering the president would need a 2/3 majority in the Senate to ratify the Protocol, the oil industry felt confident in the fate of the Kyoto Protocol and never established a Plan B (Skjærseth and Skodvin 2003: 204) in case the Protocol was ratified. This was regardless of the outcome of the presidential election and thus the explanatory factor of the component public mobilisation may be argued to be low. However, influence was argued to have been achieved within the other component legislative bodies and therefore the score is deemed high on the independent variable political mobilisation.

Regarding the unity variable, the industry appeared unified through their coalition in the GCC and membership in API. Considering most oil companies were involved in these groups and both groups were against Kyoto, the industry gave the appearance of a united industry. However, in 1996 companies started leaving the GCC and then the unified stance was weakened. The first to leave were the European companies and in addition, oil companies such as BP and Shell changed their strategy and gained a more proactive stance. BP's changed happened right before the Kyoto negotiations and was an inspiration to Shell to do the same. This resulted in support but also wide criticism from environmental NGO's. However, this became more evident after the Kyoto Protocol was signed and is thus more applicable for the next chapter. Considering the American oil companies maintained their membership in the GCC within this time frame their united approach appears unaffected despite the exits. One may conclude that the industry was united before the signing in spite of the fact that there were internal splits towards the end. The score on the influence dimension was deemed to be uncertain as it was not possible to prove that it had had any effect on the industry obtaining influence. On the other hand it is likely that the united approach from the American industry gave the impression of being a strong and therefore influential industry and thus one can not rule out the possible impact of a united industry.

The independent variable financial resources of the oil industry does not need to be questioned. In the 1990's the industry started their public campaign in informing the

public on their views as well as the sponsoring of political candidates grew larger. The sponsoring of political candidates was argued to have been influential in the oil industry's achievement of influence. The theoretical perspective used to create this variable suggests that these financial resources may empower the industry and thus make it easier to achieve access to the decision making arena as well as sponsor information campaigns for the public. Additionally, financial resources enable the possibility to sponsor research on the topic, something the oil industry did. It also makes it possible to sponsor sceptical scientists to publicly speak on the matter. The research I have done indicate that the oil industry would in this case use experts that were favourable to their view, in other words were against Kyoto and were downplaying the threats of climate change. Financial resources may thus have a high score on the influence dimension as it enables the industry to provide their own research, present their own results and ultimately sponsor the candidates most likely to have concurring views on important issues. Furthermore it permits them to sponsor campaigns that inform and even persuade the public to concur with the industry, and perhaps even vote accordingly on Election Day. The explanatory power may thus be deemed strong as it can explain how the industry achieved influence and to what extent it enabled them to achieve more influence.

The last independent variable public opinion indicate that despite millions of dollars spent on advertisement and media campaigns, the public opinion remained favourable to Kyoto. It was even suggested that the public viewed reduction in GHG emissions as beneficial to the US economy. One can thus conclude that in this variable, the oil industry were not able to influence public opinion and considering the public were positive to Kyoto and the Protocol was signed, the oil industry achieved a low score on the influence dimension. However, the explanatory power of this variable may be high if one assumes that the President went with the wishes of the public and not the industry. This would then indicate that in order to deny ratification of Kyoto, the public would have to be on the same side as the oil industry and thus it would be within this variable they might achieve success in the next round.

Chapter 5: Empirical Analysis of the Independent Effects on the Dependent Variable Influence from 1997 to 2001

5.1 An initial assessment of the oil industry's involvement in climate control between 1997 and 2001

The oil industry's involvement after the signing of the Kyoto Protocol maintained the same level as before the signing. As this chapter will show, API, GCC and ExxonMobil upheld its scepticism of Kyoto and continued to inform politicians and the public of the potential negative sides of Kyoto as well as encouraging voluntary measures instead of binding limits as established in the Kyoto Protocol.

5.2 Empirical analysis of influence achieved between 1997 and 2001

The second part of the analysis takes place in the time frame after the signing of the Kyoto Protocol. At the time of the signing the US President was as mentioned in the previous analysis in favour while there were strong objections to the Protocol in the Senate. The oil industry thus would have to ensure this objection was maintained in the Senate and this part of the analysis will study whether the oil industry had any influence in the decision not to ratify the Protocol.

One of the most important events that took place in this time frame is the presidential election in 2000 which ended with victory for the Republican candidate George W. Bush. Whether this event was a decisive factor or not will be explored further in the analysis.

The theoretical perspectives and independent variables remain the same from the previous chapter and I will therefore not give any further explanation as to what they are and why they were chosen considering this was done in chapters two and four.

5.2.1 Political mobilisation

5.2.1.1 Legislative bodies

Although the oil industry had been “defeated” in the sense that the Kyoto Protocol was signed despite their objections, the oil industry had achieved one important victory with the unanimous approval of the Byrd-Hagel resolution. The challenges facing the oil industry for the years after the signing would be to maintain this view in the Senate and make sure that ratification of Kyoto would not take place. During this time frame, there would be a presidential election. Before the election it was assumed that the Democratic candidate Al Gore, who was the Vice President during the Clinton Administration, would push to ratify the Protocol while the Republican candidate George W. Bush would probably not push for ratification. Considering the first had a low standing in the Senate and thus would face stronger opposition while the latter had a higher standing in the Senate, it would appear that the oil industry had been dealt the highest cards (Skjærseth and Skodvin 2001: 106).

As presented in Chapter three; Byrd-Hagel resolution of 1997 had Senator Robert Byrd as one of the key players in the drafting and making of the resolution. Senator Byrd represented West Virginia, a state that had always been a democratic state, meaning Democratic presidential candidates would always win West Virginia in the election. During the presidential election in 2000, the coal industry, which is very strong in West Virginia, was able through tough lobbying to convince electors to vote for a Republican candidate for the first time in history. Though there was great discussion on the result of the election due to the problems and confusion in Florida, however, regardless of the result in Florida, George W. Bush would still have won due to the republican win in West Virginia (Bang et al 2005: 3).

According to an article in *The Australian*, the coal industry in West Virginia supported Bush because of his resistance to Kyoto (*The Australian* 25.01.2002). According to Skjærseth and Skodvin, due to the Byrd-Hagel resolution, the Kyoto Protocol was considered dead on arrival in the Senate, regardless the outcome of the presidential election in 2000 (Skjærseth and Skodvin 2003: 215). Therefore, the lobbying that led

to this resolution might have been an indicator as to how influence was achieved. Without support in the Senate, the executive branch would be unable to ratify Kyoto.

The possibility for political failure could, according to the framework presented in chapter two, be a possible determining factor. President Clinton never submitted the Kyoto Protocol for ratification. Considering Clinton had already suffered a defeat with the BTU tax, one may argue that he was unwilling to suffer a similar defeat. Due to Byrd-Hagel there was a large chance it would have been thrown out immediately and thus to avoid the failure of proposing Kyoto ratified, President Clinton left it to his successor. Based on the theoretical perspective in chapter two, the signing of the Kyoto Protocol may have lead to a stronger willingness to ratify the Protocol. This does not seem to be the case and considering Democratic candidate Al Gore had a low standing in the Senate, it appears it would have been a challenge for him to have the Protocol ratified had he been elected.

In chapter four it was established that the oil industry was not able to achieve access to the presidential circle although they were able to lobby in Congress. The Congress held at the time a Republican majority and the Republican Party in general opposed the Kyoto Protocol. After the election, the Republicans gained the Presidency and maintained their majority in Congress.

President Bush was early on named The Oil Man from Texas. His history with American oil companies²⁹, along with several of his political associates would suggest support to the oil industry. In addition to the President, Vice President Dick Cheney, National Security Advisor (and after 2004 Secretary of State) Condoleezza Rice and Secretary of Commerce Donald Evans all had backgrounds in the oil industry. Cheney as the former CEO of Halliburton, the largest oil-field services in the US, Rice served on Chevron's board of directors while Evans worked for a Denver oil and gas company (Gelbspan³⁰). API was also represented in the Administration with Philip

²⁹ George W. Bush was the executive of the oil company Arbusto Energy before his political career.

³⁰ Excerpt from *Boiling Point* by Ross Gelbspan (<http://www.grist.org/advice/books/2004/07/21/gelbspan-boiling/>).

Cooney, former head of the climate unit in API became chief of staff for the White House Council on Environmental Quality (ibid). Cooney left the post to work for ExxonMobil in 2005³¹. Based on these facts, it is perhaps not surprising that the Bush Administration had a different approach to the issue of climate change than the previous administration.

Recently, the chairman of the Senate Environment Committee, Senator James Inhofe stated that “With all of the hysteria, all of the fear, all of the phoney science, could it be that man-made global warming is the greatest hoax ever perpetrated on the American people? It sure sounds like it” (Evans 2005³²). Even though this statement was made in 2005, it is still characteristic of the views shared by Republicans throughout the process of the signing and decision not to ratify the Kyoto Protocol.

Though the representation of former oil industry executives in the Administration does not necessarily give the oil industry more influence, it could have given them more access to the presidential circle. According to Skjærseth and Skodvin (2003: 140) the situation turned around completely when the Bush-Cheney administration took office in 2001 and the green movement was excluded whereas energy industry leaders, most importantly ExxonMobil achieved access to the policy making arena. In fact, after the Bush administration took office, ExxonMobil and the administration had similar or almost identical interests. In addition, because of his already mentioned background, Vice President Cheney allowed energy firms a great deal of access to him directly as well as other key government officials.

The US had already, before the Kyoto Protocol negotiations, introduced strict environmental regulations, and the API estimated it would be spending \$ 26-33 billion annually to comply with the regulations (Skjærseth and Skodvin 2003:137). Another important factor in the Senators’ disapproval of the Protocol is the lack of participation

³¹ According to a story done by 60 Minutes aired March 29th 2006, Cooney edited scientific government reports to make climate change seem less severe and stressed the uncertainty and doubt facing the topic. According to the story, scientists are being censored to give complying views with the Bush Administration.

³² www.bbc.co.uk 07.10.2005

from the developing countries. The US does not approve of agreements that could result in less favourable business competition for the US. Considering many of the developing countries have large CO₂ emissions, it was not difficult to achieve support on this matter. This enabled the industry to call the Protocol unfair as it would give the developing countries benefits in the international trade community. This view was shared by President George W. Bush who publicly admitted that this was one of the reasons for his decision not to ratify the Protocol. The argument that developing countries must first be able to achieve the same grounds for competition, something they quite possibly would have been unable to do had they been bound by the Kyoto Protocol, was not bought by the American politicians. They still considered the developing countries not needing to comply with the Kyoto regulations to be a potential threat for American business. One can thus question whether the industry actually had influence or whether it was just that their interests coincided with that of the Administration.

The industry has spent money and time to undermine the credibility of climate science and the outcomes of the IPCC. President Bush has also publicly stated that he will “not accept an international accord to reduce heat-trapping emissions”³³. Even though the top officials in EPA were appointed by the President, and that there was a large (and rather unusual) consensus amongst the scientific community that global warming was caused by emissions from automobiles, power plants and oil refineries to name a few, the President maintained his stance that there was not enough scientific evidence to link global warming to industrial emissions (ibid). Though this report was published after the President’s decision not to ratify Kyoto, it is a good indicator of how the views of the oil industry and the Administration were in coherence.

Shortly after the President had decided not to ratify the Protocol; the US Chamber of Commerce wrote a letter to the President thanking him for his leadership on environmental issues and his decision on Kyoto (letter from CEO of Chamber of

³³ www.planetark.org 05.06.2002

Commerce Donohue 04.05.2001). By having the business community on his side, there seemed to be no good reason to change his decision.

The score on the influence dimension can be argued is high in this time frame. The oil industry achieved a great deal of access to the inner presidential circle. Considering they had not been able to achieve this in the previous administration, it is possible to assume that their score on the influence dimension has increased. Through donations to the Party and lobbying efforts the oil industry was able to influence the policy makers. According to an article in Grist, a briefing note from the White House states that Bush rejected the Kyoto Protocol in part due to input from the GCC³⁴.

If that is the case, the oil industry managed to score high on the influence dimension as it contributed to President Bush's decision not to ratify the Protocol.

The explanatory power of the theoretical perspectives can be argued as relatively strong. Arena access did empower the industry and as they achieved more access, they also achieved more influence.

5.2.1.2 Public mobilisation

Having led the Republicans to victory in 1994 Congress election and maintaining that majority in 1996, the Republicans won the presidential election in 2000. As mentioned earlier in the chapter, the American oil industry sponsored the presidential campaign of George W. Bush and the result was victory. Through the votes of the public, the oil industry was now able to access the decision making arena and as argued above were able to access the inner most circle. One may thus argue that the public acted the way the industry had hoped and thus they were able to achieve their ultimate goal.

Combined with the component legislative bodies this variable indicated a high score on the influence dimension as the industry achieved its goal and were able to access all levels of the decision making arena. However, could this have happened without the mobilisation of the public? Earlier in the study it is mentioned that the oil industry

³⁴ <http://www.grist.org/news/daily/2005/06/08/1/>

never established a plan B as they were certain that the Kyoto Protocol would never be ratified. This indicates that regardless of the outcome and how the public voted; the Protocol would not have been ratified. This has been argued before because of Byrd-Hagel and Al Gore's low standing in Congress if elected and so it appears the oil industry was facing a win-win situation, regardless of how the people voted. In that case, this component will not have strong explanatory power as it was not the actions of the oil industry that lead to this result but other factors with stronger explanatory value. The public might have had very different incentives for electing Bush regardless of how they felt about his environmental policies.

One may also ask whether it would be beneficial for the oil industry to mobilise the American public to act accordingly to their wishes. Considering there are indications of a favourable opinion on Kyoto amongst the American public, mobilising them to act may not be in the oil industry's best interest. Instead, making sure other issues achieved more attention in the political debates and turn the focus away from the Kyoto debate might be a better option for the oil industry. That way they could indirectly obtain their goal. In the 2000 elections, environmental policies received little attention. According to Olmos et al (2000: 4) the environment ranked ninth out of fourteen issues in the presidential campaign and of the environmental issues global warming was ranked second to last. This could be argued to be beneficial for the oil industry if a majority of the public supported Kyoto.

The variable political mobilisation can be deemed to have strong explanatory power despite one component being stronger than the other. There are indications that the Protocol was rejected due to the advice of the GCC and the fact that Bush and many members of the Administration were former oil executives. Therefore, the variable would give a high score on the influence dimension as it was in fact the influence of the industry which lead to the final decision.

5.2.2 Unity

The picture of a unified industry became slightly modified with the exits of both BP and Shell from the GCC although the industry seemed united in the disapproval of the signing of the Protocol. After the signing had taken place, did they remain united or did any of the oil companies have a change of heart?

As mentioned there is great difference between the European oil industry and the American oil industry. While most European oil companies have started extensive research on more climate friendly alternatives to oil, it appears that the American oil industry is maintaining their business as usual, and has yet to change their business and policy on climate change, regardless that their quest to prevent the US from signing the Protocol failed. This seems to particularly be the case with API and ExxonMobil. ExxonMobil has not changed their politics towards climate change the past 10 years (Kolset 2004: 4) and has for this reason as well as its general reluctance to reduce greenhouse gas emissions been referred to as a “dinosaur company” (Rowlands 2000: 344). The strategy of API and ExxonMobil is a defensive approach towards the issue of climate change, demanding more information on the matter before anything is done, and creating scepticism towards scientific studies on human induced climate change. The oil industry’s lobby group is quite large in this area as I have previously mentioned, and there’s a lot of expertise and experience with lobbying in the industry. In addition, the oil industry has had more experience with lobbying as a means of influencing policy makers. They have employed lobbying to raise doubt about the scientists’ claims that climate change was human induced. By creating uncertainty about scientific facts (or scientific studies), and maintaining a stance that climate change was not human induced, but a natural change by nature itself, it would be easier to generate acceptance on their views and create scepticism towards the Kyoto Protocol. In addition, the oil industry focuses on presenting their own initiatives, managing to create an environmental friendly picture of them despite of the fact that they are against the Protocol.

I have not been able to find information on action taken to fight for the Protocol by the oil industry. Even the members of the Pew Center were against the Protocol. In fact, the entire industry in the US agreed on the disapproval of Kyoto. In that sense, it can be concluded that the industry was united, did this lead to influence?

It appears that the lobbying in the industry was one- way meaning it is only focused on one side of a matter. If all the lobbying was focused on fighting the Protocol, it would make the impression of a united industry. In any case, even if there were disagreements, they were kept under a tight lid. API's public scepticism of the Protocol has perhaps been influential and the united attempt by the oil industry to raise concern regarding the Protocol appears to have worked.

The explanatory power of the unity perspective may thus be deemed strong regardless of the fact that oil companies left the GCC. Although there were internal disagreements within the industry on how the issue on climate change should be dealt with and that while ExxonMobil and the API remained reactive, other companies changed their strategy in a more proactive direction. Nevertheless the view on Kyoto remained in a large degree the same for most of the oil companies and thus one may argue that the industry was united on this matter and that there was a general agreement to be against a ratification of the Protocol.

On the other hand, when API launched an anti Kyoto campaign, BP withheld money in protest and announced they did not want their name linked to the advertising campaign (Rowlands 2000.345). Nevertheless they remained members although they were sceptical of the official API view. BP Amoco was one of the founding members of the Pew Center and was more proactive than the other companies; however it does not appear to have altered the united appearance the oil industry gave.

When deciding what indications the unified appearance has on the influence dimension one must decide based on the facts presented whether the unified stance resulted in more influence. According to this theoretical perspective more influence would be the outcome with a unified appearance.

A strong, collected industry will come across as stronger than an industry divided. Whether it was decisive for the outcome is however a different question. According to Rowlands, Exxon was deliberately “working with like-minded companies to advance its position” (Rowlands 2000:343). This can be interpreted as an attempt by Exxon to unite with other companies to achieve influence. This again might indicate that they thought a more united approach would increase their influence.

In chapter four it was difficult to draw any conclusions based on the facts presented and the following discussion. It would appear that the oil industry was less united now than before the signing. More companies left the GCC and proactive strategy became a favourable approach to the European as well as some of the American oil companies. Therefore, it is difficult to establish the score on the influence dimension in this variable. Even though they were more divided, they were to a large extent unified in the scepticism of Kyoto. Or, those that changed their minds were less vocal in their support. Regardless, measuring the score of influence is for those reasons difficult as it is difficult to establish whether they achieved less influence due to a weaker GCC and a more proactive stance in the industry, if their influence in this variable remained the same or if it increased.

5.2.3 Financial resources

The oil industry maintained their campaign that had only one main objective, to kill any possibility of implementation of the Kyoto Protocol. Like the previous time frame, ExxonMobil continued to be one of the most generous political donors in the US and was the largest contributor to the Bush campaign followed by Enron and BP. Considering George W. Bush won the election, one may argue that their financial contributions paid off.

According to an article in BBC News (Evans 2005³⁵), ExxonMobil has donated substantial amounts of money to American organisations like Advancement of Sound Science Centre Inc. The article claims that these organisations are officially concerned

³⁵ <http://news.bbc.co.uk/go/pr/fr/-/1/hi/magazine/4319574.stm> 07.10.2005

with global warming, however their research undermines the science of global warming and they are against Kyoto ratification (ibid). Furthermore, ExxonMobil has donated an extensive amount of money to Stanford University to fund long-term research on new energy technology (ibid). The oil industry maintains that they are not against the climate change research and they do not deny its existence, however they are against acting too quickly. By sponsoring extensive research for the future, they claim one can be more confident in the conclusions reached. Actually, there are many who believe that the oil industry's approach is preferable; after all, the climate change problem is a long term problem, so why does the solution have to be short term? Critics of the oil industry's approach might interpret this as an attempt to procrastinate the global warming discussion, while others agree that the long term approach is the correct way to go.

The GCC used from the beginning experts well known for their scepticism towards climate change who questioned whether global warming was a fact and whether climate change was human induced. The experts of the GCC would at press conferences undermine the credibility of climate science and outcomes of the IPCC.

While the European companies have started focusing on environmental friendlier and economic beneficial alternatives, the American companies still maintain the stand that they and the public will lose out if climate change measures were introduced. As mention earlier, the American fear of unequal competitive grounds and their businesses losing out is planted firmly within their policies. Therefore, they will rarely support any agreement that could possibly reduce their international competitiveness. In addition, the US is one of the largest users of energy in the world and they are dependent on cheap energy to maintain the "American way of life". Americans depend on cars due to the great distances within the country and they are not very eager to agree on augmented gasoline prices or similar tax increases.

The variable financial resources remain constant on the influence dimension. The amount of financial resources remained the same and they were to a large extent utilised in the same manner as before 1997. Therefore, the variable can be argued to

achieve a high score on the influence dimension as it continued to enable them sponsoring of research and political candidates.

5.2.4 Public opinion

In Chapter four I discussed that the oil industry spent large resources on media campaigns in order to persuade the public to be more favourable to the views of the oil industry.

Between 1997 and 2001 the API approached the American public quite vigorously, painting a grim picture of the American economy if the US entered the Kyoto Protocol. In 1998 they sponsored a study by WEFA called Global Warming: The High Cost of the Kyoto Protocol (WEFA 1998) which stipulated the cost of 2.4 million jobs in the US and emphasized the lack of obligations to the developing countries. The published report systematically goes through a long line of arguments which conclude with pessimistic prospects for the US if the Protocol is implemented (WEFA 1998). Though they separate themselves from their sponsor API, the views of API and the study by WEFA coincide, as job loss, raise in gasoline prices, the lack of participation from developing countries, reduced competitiveness for US companies and reduction in household income are presented as some of the most important arguments in rejecting Kyoto (ibid: 1). The study emphasizes the possibility for alternative options to Kyoto and the fact that Kyoto would not prove to be beneficial (ibid: 12).

As mentioned in chapter four, the US Senate was from the beginning very sceptical of the Protocol and promptly after President Clinton signed the Protocol, sceptical reactions by US Senators were expressed. In the International Herald Tribune (29 December 1998), it was stated that the Senate has misread the American public, which in surveys have expressed support for Kyoto. According to the article, the public support also includes cooperating with the UN to combat global warming threats. One may thus argue that the public opinion appears to be in contradiction to that of the US Senate.

There have been made several surveys on the American people's views on the Kyoto Protocol and their views on global warming. The first poll I will present is a poll conducted by Wirthlin Worldwide for the GCC that shows strong opposition towards the Protocol and that the voters demanded more research before the US committed itself to the agreement. Although the respondents believe that climate change exists, 84% would like to wait and see scientists conduct extensive research "before we limit ourselves as to what we can or cannot do as an industrialised nation" (Wirthlin Report: 4).

Simultaneously the survey shows that a clear majority of respondents support voluntary programs to reduce emissions. One of the reasons suggested for the respondents' objection towards the Protocol is that with the economy on the rise (at the time of the survey), Americans are sceptical of ratifying a treaty that could threaten their standard of living (Cooler Heads Coalition 1998). Considering the surveys were made on behalf of coalitions in strong disapproval of the Protocol, it is perhaps not to be taken as seriously as more neutral surveys.

In a poll made by The Harris Poll (1997) immediately after the Kyoto negotiations in 1997, 75% backed the Protocol while 21% opposed. It is necessary to point out that of those surveyed only 55% were aware of the Kyoto negotiations. In another Harris poll in 2001, 70% of the people who answered supported the Protocol while 22% opposed it. 18% answered it was too strict and 41% said it was just right, while 31% said it was not strict enough. In other words, the public opinion had according to The Harris Poll remained consistent.

Another survey favourable to Kyoto was made by the University of Oregon's Survey Research Laboratory in 2003 (University of Oregon June 03.06.2003) where of those Americans who had heard of global warming, a strong majority (88%) supported the Protocol. However, when asked about gasoline tax, a clear majority (78%) were against it, indicating that although in favour of reducing climate change, they might

not be willing to increase taxes and change their standards of living in order to improve the environment.

It is difficult to derive any specific conclusion from these polls as one must be careful to present it as facts, but instead use it as an indication of which direction the public were heading. The surveys presents different result, in some Americans favour the Protocol and demand action taken against global warming and climate change and in others it is concluded with the opposite. A surprising finding in the poll by University of Oregon (ibid) was the bipartisan support, in other words, there was little difference between Democrats and Republicans on the issue. One must however analyse these surveys critically as people have a tendency to answer more politically correct than perhaps their views really are. It is easy to say you support environmental friendly agreements, but many might answer differently when asked to reduce their driving and experience tax increase as a result of the agreement.

The oil industry, with Exxon and API in charge, continued to spearhead campaigns to influence the public to go against ratification of the Protocol. Exxon ran advertising campaigns in the US to create scepticism towards the Protocol. As presented in chapter three, in 1998, API spent \$7 million on a public relations offensive to undermine scientific consensus on the threat of climate change. They publicly stated that those favourable towards the Protocol were “out of touch with reality”.

The cost of the Kyoto Protocol remained a large issue amongst those against the Protocol, including the oil industry. Their worries were introduced to the public as the costs of Kyoto would according to the oil industry affect everyone.

In a congress hearing (105th Congress, 2nd Session. House Hearing), Republican Joe Knollenberg presented numbers based on the estimation by WEFA on the cost of Kyoto. According to Knollenberg, gasoline would go up 50 cents a gallon and would result in more than one million job losses a year for the next 15 years.

Despite their efforts, it appears that there was little change in public opinion. Considering the oil industry was still able to prevent Kyoto from ratification, it

questions the relevance of this variable. Considering the American public in general were favourable to Kyoto one may assume that President Bush went against the wishes of the public and therefore the oil industry would not need to persuade the public in order to reach their objectives. Therefore the variable has low explanatory factor and scores low on the influence dimension.

5.3 Synopsis Analysis 1997- 2001

The oil industry had before the signing of the Protocol managed to build a strong coalition and lobby in Congress as well as sponsoring political candidates, media campaigns and independent research on climate change.

In the time frame 1997 (after the signing in December) to 2001 the industry obtained a tighter grip on the access to decision makers in Congress and eventually after the election in 2000, in the Bush Administration as well. The industry continued to publicly criticise and raise questions about the Kyoto Protocol. To sum up the arguments and facts presented in the first independent variable, the oil industry receives a high score on the influence dimension as they did contribute to the decision not to ratify Kyoto. The relevance of the theoretical perspectives have proved themselves high as the two components in the variable to a different degree could serve as explanatory factors to the dependent variable influence. Though one perhaps stronger than the other, the component legislative bodies appears quite valuable in explaining the achievement of influence, as arena access can be argued achieved a high score. The component public mobilisation proved difficult to measure as there could have been other factors explaining the actions of the public. Although they voted accordingly to the wishes of the oil industry, the result may be due to other factors irrespective of the Kyoto debate and the oil industry's interference. Nevertheless, based on the discussion in this chapter, the variable political mobilisation as a whole served as a strong explanatory factor and scored high on the influence dimension.

As for unity, the score appears to be slightly smaller as there were indications that the industry was less united in this time frame compared to the previous. Still, the appearance of being united held forth and though the industry had different opinions as to how climate change could be managed and whether they were reactive or proactive, it still appears that the industry as a whole was against the Protocol. The measuring of unity became problematic when companies left the GCC and more climate friendlier coalitions as the Pew Center were established. However, considering it appears they all took a public stance against Kyoto, one may establish a certain unity in the industry although establishing a score on the influence dimension proved difficult.

As in the analysis in chapter four, there was never any discussion as to the financial strength of the industry. The oil industry is one of the strongest industries financially, and with ExxonMobil being the largest private company in the world, their financial resources were unquestionable. The discussion was thus how it was employed to gain influence and whether this proved effective and helped give the industry a higher score on the influence dimension. The sponsoring of republican candidates in Congress as well as being the largest sponsor of the Republican Presidential candidate ensured the industry an easier access to the inner circle. This can however not be directly linked to finance as the large number of former oil executives in the Administration might have made the access easier. Nevertheless, one may assume that the sponsoring proved beneficial in that the candidates felt obligated to vote accordingly to their sponsors' wishes or that the oil industry sponsored candidates that already shared their views and thus made their road to power easier. In addition their financial resources enabled them to continue with scientific research and support scientific specialist who questioned the legitimacy of climate change.

It may be difficult to decide on a score on the influence dimension, however it is clear it did not hurt the oil industry to be financially strong, and also by being able to sponsor ads they were able to get their views across to the public and may have received more support through that. The explanatory power of the perspectives behind the financial strength variable may be deemed strong as it could serve as an explanation as to how the oil industry were able to achieve the influence they did.

Based on the framework explaining this variable, the oil industry was, through their financial strength, able to promote their views and furthermore allow them access to decision making arenas.

Finally, public opinion turned out to have little relevance as a variable as the public and the oil industry differed in opinion and the oil industry was unable to change the minds of the public. Though resources were spent on campaigns and media advertisement, it appears that few Americans turned their back on Kyoto after being informed of the oil industry's opinion. Therefore, the variable was deemed to have a low explanatory factor and furthermore that the potential score on the influence dimension would be low as the oil industry was not able to achieve influence through this variable.

Chapter 6 Comparison of Influence Before 1997 and Between 1997 and 2001

6.1 The different scores on the influence dimension by the oil industry

Based on the data and discussion that took place in chapters four and five I will now compare the different scores on the influence dimension obtained by the oil industry in the different phases. Like in the analysis, I will divide the chapter into the independent variables and compare the achievement of influence within these variables.

6.1.1 Political mobilisation

The oil industry has since 1994 had a great deal of access to the US Senate due to the Republican majority. In chapter four it was discussed that this access to legislative bodies proved influential most notably due to the Byrd-Hagel resolution which made ratification of Kyoto difficult. The access to decision makers in the Senate continued after the presidential election in 2000. The difference was the change in Administration. In 2000 the Republican presidential candidate was elected and as the discussion in chapter five suggested, this proved to be a favourable turn of events for the oil industry. Before the signing of the Kyoto Protocol, President Bill Clinton favoured environmental groups to the oil industry for access to the inner circle of the President. This took a complete turn in 2001 when President George W. Bush took office and the oil industry achieved access to the President and the Administration in general. As the research in chapter five indicate, due to the fact that an extensive number of people in the Bush Administration had backgrounds in the fossil fuel and energy business, the oil industry was able to argue their positions directly to the President. Although it seemed highly unlikely that the Kyoto Protocol would have been ratified had the presidential election had a different outcome, it is still possible to assume that the oil industry achieved a greater amount of influence after 1997 and that the score on the influence dimension was even higher. Still, considering the strong objection in the Senate before the signing, the score on the dimension was also high before the signing, despite the fact that President Clinton denied them access to the presidential circle.

For the oil industry to achieve access to legislative bodies it may be beneficial to have political candidates favourable to their views elected. Therefore the component public mobilisation becomes important as mobilising the public to act in a way favourable to the oil industry, for instance by voting for candidates supported by the oil industry, could increase the industry's influence. This way, the two components in the variable complete each other as one may strengthen the other. However, it appears the oil industry was influential in the Senate regardless of which party was in majority and although one may argue that the public acted accordingly to the wishes of the oil industry, it is difficult to establish the explanatory factor of public mobilisation. The variable political mobilisation seemed thus based on the research to only achieve influence within one of the components and not the other. While public mobilisation might have increased the influence obtained by the oil industry, it appears that it was of low importance in this case. On the other hand, the public does not appear to have been too preoccupied on the matter and it is therefore difficult to make any fruitful conclusion within this component. As a whole however, political mobilisation can be deemed as giving a high level of explanatory factor in the oil industry's achievement of influence in both time frames.

6.1.2 Unity

The variations on the dimension unity changed between the signing and the non-ratification of Kyoto. A few years before the Protocol was signed, oil industries started leaving the GCC and right before the Kyoto negotiations BP and Shell started reinventing their climate policy. After the Protocol was signed, the GCC changed its membership strategy and the Pew Center with a more proactive approach to climate change was established and gradually gained members. Still, regardless of a more proactive stance on climate change, the official view of the oil industry on Kyoto remained negative. Therefore, even though the attitude amongst certain oil companies changed, the industry maintained the impression of a united industry in both time frames. This does not however mean that the scores on the influence dimension were the same. It can however seem that based on the discussions in chapter four and five, establishing a score on the influence dimension can be difficult for both time frames.

Though the industry may have appeared stronger and more resourceful, it is still difficult to assess whether their united approach was decisive on the influence dimension. It does not seem to give them a negative score, but based on the data presented it appears that the degree of unity proved not to be of high importance in this discussion. Even if there had been official support to the Protocol, there would still have been strong actors within the industry who would have continued the mobilisation towards having Kyoto rejected and considering the most active actors in this discussion were also the largest one may conclude that this variable didn't gain influence for the industry nor did it reduce it and though unity may help explain why influence was achieved, establishing a score on the influence dimension is difficult.

6.1.3 Financial resources

The financial resources of the oil industry remained the same within both time frames. The oil industry is one of the world's largest industries and their financial capital remained large within both time frames. It also appears that the usage of their capital remained the same. The oil industry continued their media campaigns to influence public opinion and they were one of the largest contributors to the Bush campaign in 2000. This may be prove to be influential in the second time frame as the Bush victory enabled arena access and thus the score on the influence dimension increased.

Considering the Bush Administration had consisting views of the oil industry regarding climate change and Kyoto it was perhaps not the financial strength that enabled the industry influence. The long time sponsoring of the Republican Party on the other hand may be argued as beneficial to the oil industry gaining influence and this could not have been possible without their economic resources. In chapter four it was argued that this was the oil industry's most important channel for influence. There were also indications that the oil industry, through sponsoring of scientific research and known sceptics of climate change was able to raise some doubt on the issue. By arguing for more research to solve an uncertain problem, they were able to prolong the debate and thus avoid measures like the ratification of the Kyoto Protocol to be taken. Based on the data and discussion presented in chapters four and five however, it can be

argued that the variable financial resources scores relatively high on the influence dimension within both time frames.

6.1.4 Public opinion

The variable public opinion remained consistent throughout the two time frames. The public were in general with minor variations positive to Kyoto and to binding agreements reducing GHG emissions. In addition, the public accepted the scientific research indicating the reality of climate change and the possibility of human induced climate change. The question is thus whether this variable had any influence in any of the time frames? President Clinton signed the Protocol which was in accordance with the public. Despite efforts from the oil industry through advertisements and presentation of research contesting the authenticity of climate change, the public supported Kyoto. This would indicate that the oil industry would have to win over the public in order to succeed in their quest to not have Kyoto ratified. This way, the public might influence decision makers and then the oil industry would reach its objective. On the other hand, the Senate voted against the views of the public and the President and made the ratification of Kyoto difficult if not impossible. This act is illustrative of the weak explanatory factor of the variable public opinion in the first phase. In the second phase, the oil industry was not able to influence public opinion in any larger degree than they had earlier. Despite media campaigns, the public opinion remained stable and favourable to climate change measures. The Bush Administration went therefore, based on the data presented, completely against the wishes of the public. The oil industry achieved influence despite the fact that the public disagreed with them and considering they were not able to achieve influence within this variable, the variable public opinion had little if any significance in this time frame. One may assume that considering the views of the oil industry were different than public opinion and the oil industry prevailed in the second phase, the variable public opinion achieved a low score on the influence dimension in the last phase.

6.2 Synopsis of comparison

This chapter indicates that there were few variations in the influence obtained by the oil industry in the two time frames. This assumption is based on the similar results in the discussion of the independent variables. Variables that scored high on dimensions in one time frame, scored high on the other as well. The main difference may perhaps be within the variable unity where it can be argued that unity was reduced in the second time frame. Access to the decision making arena improved in the second time frame, and thus it may be assumed that the influence of the oil industry within this variable, although strong before 1997, was stronger between the signing and the decision not to ratify Kyoto. Based on the discussions in chapters four and five and the comparison in this chapter, the two time phases proved to be fruitful for comparison and shared many of the same results.

Chapter 7: Concluding Remarks

In this study I have presented the American oil industry and based on empirical data with the help of theoretical framework I have discussed the variation in the influence dimension for the oil industry with regard to the Clinton Administration's decision to sign the Kyoto Protocol in 1997 and the Bush Administration's decision not to ratify the Protocol in 2001. The different components were explored and measured and ultimately the two different time frames were compared in chapter six. In this chapter I will first discuss the theories and independent variables, their strengths, weaknesses and potential overlaps between the variables. Then I will discuss the empirical findings where I will consider the research question and whether I was able to answer it. I will also discuss the strengths and weaknesses with the data than I collected. In conclusion I will briefly comment on the future of the Kyoto Protocol in the US and what lies ahead for the oil industry.

7.1 Theoretical findings

The independent variables were developed to help explain the data collected and to give a better description of how the dependent variable influence could be obtained. They were discussed separately and potential relations between the variables were not explored due to an assumption of their independent effects as well as to limit the study. The discussions in chapter five and six indicate that there was at times coherence between the variables and sometimes the variables could have had an impact on each other. For instance the variable political mobilisation includes public mobilisation, and this component could be closely linked to public opinion. On the other hand they measured different aspects as public mobilisation measures the actions while public opinion measures the opinion of the public and what their views were. Therefore they did have independent impacts although they occasionally overlapped as the oil industry could use the same means to achieve influence in both variables. For instance could a media campaign result in a stronger score on the public opinion variable as they were informed with and consented to the views of the oil industry, while this opinion could have led to action and thus give a higher score in the component public

mobilisation and thus the political mobilisation variable. Financial resources and the component arena access proved to be of help to each other. The oil industry needed financial resources to support political campaigns to gain access to the decision making arena. Had it not been for their economic strength, it would have been difficult to conduct independent research, sponsor politicians, establish and support think tanks and achieve the expertise in lobbying which can be argued as being beneficial for the industry. It is of course possible to achieve access without financial resources, but they are beneficial and lack of financial resources would have made it more difficult for the oil industry to achieve influence. The variables financial resources and public opinion may also have had an impact on each other. Financial resources may have enabled media campaigns which again may have influenced the public opinion. Nevertheless these variables worked independently and all offered independent explanations on why the oil industry achieved their goal with denying Kyoto ratification.

7.1.1 The explanatory power of the independent variables

The explanatory factors were strong with some of the variables and weak with others. In the first time frame the first variable political mobilisation had, based on the discussion presented in chapter four, a strong explanatory power for the component arena access and slightly lower for public mobilisation. The reason for this assessment is the fact that the oil industry achieved access in the decision making arena due to the Republican Party gaining majority in both houses of Congress in 1994 and considering the ExxonMobil and API sponsored the Party, it gave them influence. This would not have been possible had it not been for the public voting the way they did. On the other hand, it is difficult to establish the reasons for the public voting. The election in 1994 could just as well been caused by a disappointment in the Clinton Administration, or the focus on other issues. Therefore, the explanatory power of this component is difficult to establish. In 1996, Clinton was re-elected and thus the oil industry was not successful in having a Republican candidate be elected president. This could have been caused by other external factors such as other issues in the presidential campaign being for more importance. Therefore it is difficult to establish whether the outcome

was a result of the oil industry's influence. In any case, the industry had been able to prevent the BTU tax in a Democratic controlled Senate and the question is thus whether they would have needed the Republican victory. Also, Byrd-Hagel achieved a unanimous approval and thus it would appear that a Republican majority might not have had a large effect. The oil industry was argued to have been instrumental in shaping US climate policy, something that indicates influence. Despite their influence in the Senate, the oil industry could not prevent Kyoto from being signed but they had already made it extremely difficult for the Protocol to be ratified and thus the explanatory power for legislative bodies and arena access is strong.

As the comparison in chapter six indicated there were several similarities with the explanatory power of the independent variables in the two discussions. The variable political mobilisation was strong in both; however it can be argued that it was even stronger in the second time frame as access to the president was achieved as a Republican president was elected. Therefore, one could argue that the public had been mobilised to vote accordingly to the views of the oil industry and furthermore access was through this achieved. It does however appear to be a result of other factors and therefore this component had low explanatory power. Still, the two components in the variable completed each other to some extent in both time frames and enabled a stronger independent variable.

The industry was united in the first time frame, though BP had changed their policy just before the Kyoto negotiations and left GCC. The American oil industry however, remained united before the signing. The explanatory power on the other hand was difficult to establish. Though it is likely that the industry appeared stronger, the effects of them being united may not have been that large. However, the GCC and API consist of many fossil fuel companies and thus the industry was united within these two groups. By being allied in the GCC who was the strongest advocate for putting an end to Kyoto, the industry did seem stronger and it is possible to assume that unity led to influence.

The variable unity appears to have less explanatory power in the second time frame. This is due to several large companies leaving the GCC, not just the European like

Shell and BP but also Texaco and Chevron. Therefore the measuring of influence proved problematic within this variable as the industry divided into several groups. Although many remained in API, many also joined the Pew Center which had a more proactive stance on climate change. Nevertheless, the Pew Center was also against Kyoto and therefore it appears that most of the American oil companies were against the Protocol. Still, it seems as though the opposition with some weakened and establishing the score on the influence dimension remained difficult.

Financial resources were undoubtedly strong in both time frames and their economic strength enabled actions such as sponsoring of both political and media campaigns, and thus access was achieved. Additionally they could establish their own research contradicting what opposing opinions were presenting. By hiring experts who would be more positive to the oil industry's opinions on climate change rather than the green movement and the Clinton Administration they could present a more moderate view on climate change and question its authenticity to the policy makers and the public. This would not have been possible to the same extent without the financial resources. In the second time frame the oil industry continued to sponsor the Republican Party, independent research and media campaigns like before. Therefore the possibility of achieving influence remained the same here.

The final variable public opinion received a low score on the influence dimension in the first time frame and its explanatory power was not strong. This is because the American public were favourable to Kyoto and the oil industry was within this time frame not able to change their minds. Furthermore, considering the public were in favour and the Protocol was signed, one may assume that the oil industry achieved no influence within this variable and thus had to achieve it elsewhere.

Public opinion suffered the same outcome in the second time frame. Regardless of the oil industry's attempts, the public still favoured the Kyoto Protocol and accepted the idea of human induced climate change. The only difference here is that decision makers did not take the public opinion into consideration when deciding to not ratify the Protocol and thus the variable was even weaker in this phase.

One may thus conclude the data presented above and in chapters four and five as follows. The variable political mobilisation indicates that arena access was determinative for the potential influence obtained by the oil industry in both time frames. Public mobilisation had a slightly weaker effect as it is difficult to establish the reasons for the public's voting, and considering no large demonstrations or public campaigns were made to fight for signing of Kyoto, it is possible this component had a weaker effect than the other component in the variable. Still, the variable as a whole had strong explanatory power.

The oil industry maintained a united stance against Kyoto in both time frames despite a more proactive approach by certain companies. The score on the influence dimension was difficult to measure as establishing an increase in influence due to unity was difficult.

Financial resources were of help to be able to make some of the above mentioned variables come true. One may thus question the independent effect the variable had, as finance alone might not give the oil industry influence. On the other hand, they would not have been able to achieve what they did without it and thus it had explanatory power.

Finally one may conclude that the variable public opinion had little explanatory power and scored low in the influence dimension as the oil industry was not able to achieve influence within this variable.

7.2 Empirical findings

Based on the data presented and the research done one may conclude that the oil industry was influential in the decision to not ratify the Kyoto Protocol. Even though they were unsuccessful in preventing the Protocol to be signed, considering their allies in the Senate and the unanimous passing of the Byrd-Hagel resolution, the oil industry knew that Kyoto would be dead on arrival in the Senate regardless which party was in majority. This is why they never needed to create a back up plan as they were quite sure Kyoto would never be ratified. It also appears that President Clinton was aware of this fact and that is maybe why he did not push for ratification during his

presidency. It would appear that the oil industry had no need to continue their lobbying efforts, but in any case, the industry continued to lobby to deny ratification for Kyoto and in the end their efforts paid off.

7.2.1 The research question

In chapter one I posed the following question; “demonstrate to what extent and how the American oil industry sought to influence the US decision first to sign and then not ratify the Kyoto Protocol?”

The oil industry embarked early on a strategy to prevent Kyoto ratification. This strategy included intense lobbying in the decision making arena, media campaigns and advertising and sponsoring of political candidates as well as conducting their own research on the issue on climate change. It seems clear that the oil industry was actively involved and that they deliberately sought to influence policy makers in order to reach their objective. As the outcome was beneficial to the oil industry it would be of interest to discuss the level of influence achieved by the industry. Based on the discussions taken place in the study one may conclude that the oil industry, although unable to prevent the signing, was influential in the decision not to ratify Kyoto. The reason for this conclusion is the access the industry had to decision makers and their role in having the Byrd-Hagel resolution passed. There are other potential explanations for the result which I will not explore further here, but regardless of other actors and explanatory factors, it does appear that the oil industry had influence on this matter.

Based on the discussion and the conclusions made above the research question was to a large extent answered. The industry did try to influence the decisions and the variables I selected were explanatory and were able to shed light on the possible actions taken by the industry to achieve influence. Though not all variables were equally explanatory as presented in 7.1, it was still sufficient to gain an idea on how the industry acted and how they worked to achieve influence.

7.2.2 Data

The collecting of data proved to be a challenge due to the extent of secondary sources in addition to primary sources. The secondary sources had to be verified at all times to be assured of its validity. The potential problems that one could have been faced with in this study were problems with misinterpretations and wrongful data in the sources. The views of the authors could be coloured and therefore the data given would not be correct. This was not just for data concerning the oil industry but also for the counterbalancing forces who were interested in shedding a different light on the issue. Therefore, other sources who could verify the data had to be found in order to present it in the study.

Other problems with data were polls and not being able to compare them as they were done in different time spaces and by different companies. Also, the findings in these polls could not be stated as facts but could be used as tools to give indications on how the public felt.

There was a great deal of research done on this matter, perhaps more so on the second phase than the first. However, finding material to explain the influence of the industry was not difficult as there had been conducted studies on the matter and also the media had covered the case to some degree. Therefore, along with the theoretical perspectives, the data helped answer the research question.

7.3 Final remarks

What is in store for the Kyoto Protocol? In the US the answer is most likely that it is dead and buried for a foreseeable future. There are small chances that President Bush will push for ratification during his presidency and therefore it seems as though the Kyoto Protocol will go on without the US on board. The consequence of the US decision not to ratify the Protocol was perhaps not as great as expected by international actors and environmental groups and the Protocol is still alive today.

As for the US, voluntary measures are being discussed. New legislation which calls for reductions of CO₂ emissions has been introduced to the Senate. At this time it appears it will be difficult to have environmental bills of this kind passed by the Senate. However there is an increasing congressional interest in the matter and considering that the US is the largest emitters of GHG in the world, one would hope they reach an agreement internally to be able to reduce the emissions. In light of recent events the last year, devastating hurricanes and tornadoes, one may assume that the focus may shift in the direction of mandatory measures and maybe the US will politically and internationally realise the seriousness of climate change. It appears the citizens of the US have made this realisation and thus politicians should hopefully want to follow

As for the oil industry, API and ExxonMobil continue to be reactive. There are indications towards a slightly greener profile within ExxonMobil and an increased willingness to have an open mind on the issue of climate change. Still, they maintain their scepticism and are not likely to become green over night. However, in order to keep up with the research and mentality of the European companies which are investing in environmental friendlier options to fossil fuel, Exxon might have to change its strategy in order to be up to date with other companies and not lose out when the demand for alternative to fossil fuel increases.

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